

**WEDNESDAY, FEBRUARY 26, 1992**

**SIXTY-THIRD LEGISLATIVE DAY**

The House met at 3:30 p.m. and was called to order by Mr. Speaker Naifeh.

The proceedings were opened with prayer by Rev. Marvin Nail, Nashville, Tennessee.

Representative West led the House in the Pledge of Allegiance to the Flag.

**ROLL CALL**

The roll call was taken with the following results:

Present . . . . . 99

Representatives present were: Allen, Anderson, Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Callicott, Chiles, Chumney, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, Dixon, Duer, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Herron, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Joyce, Kent, Kernell, King, Kisber, Knight, Liles, Love, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Niceley, Nuber, Odom, Peroulas Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Tullos, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 99.

**MESSAGE FROM THE GOVERNOR  
February 25, 1992**

MR. SPEAKER: I am directed by the Governor to return herewith: House Joint Resolution(s) No(s). 122 and 468, with his approval.

DAVID H. WELLES,  
Counsel to the Governor.

**MESSAGE FROM THE SENATE  
February 25, 1992**

MR. SPEAKER: I am directed to return to the House, House Bill(s) No(s). 1864 and 1945; also, House Joint Resolution(s) No(s).

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276, 395, 465, 466, 467, 469, 475, 476, 478, 480, 481, 482, 483, 484, 485 and 487; signed by the Speaker.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**MESSAGE FROM THE SENATE**  
**February 25, 1992**

**MR. SPEAKER:** I am directed to transmit to the House, Senate Joint Resolution(s) No(s). 341, 342, 344, 349 and 359; for the signature of the Speaker.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**REPORT OF CHIEF ENGROSSING CLERK**  
**February 25, 1992**

**MR. SPEAKER:** Your Chief Engrossing Clerk begs leave to report that we have transmitted to the Governor the following: House Bill(s) No(s). 1864 and 1945; also, House Joint Resolution(s) No(s). 276, 395, 465, 466, 467, 469, 475, 476, 478, 480, 481, 482, 483, 484, 485 and 487; for his action.

BETTY KAY FRANCIS,  
Chief Engrossing Clerk.

**REPORT OF COMMITTEE ON CALENDAR AND RULES**  
**February 25, 1992**

**MR. SPEAKER:** Your Calendar and Rules Committee reports that we have met and set the following bill(s) and/or resolution(s) on the Consent Calendar for Monday, March 2, 1992: House Bill(s) No(s). 1818, 1842, 1820, 1773, 1780, 1787, 1827 and 1840.

PHILLIPS, Chair.

**REPORTS FROM STANDING COMMITTEES**

**EDUCATION**  
**February 25, 1992**

**MR. SPEAKER:** Your Education Committee reports that we have carefully considered and recommend that, pursuant to Rule No. 72, the following be referred to Finance, Ways and Means: House Bill(s) No(s). 1746 if amended.

DAVIDSON, Chair.

Pursuant to **Rule No. 72**, the Speaker referred House Bill No. 1746 with amendment(s) to the Finance, Ways and Means Committee.

**FINANCE, WAYS AND MEANS  
February 25, 1992**

**MR. SPEAKER:** Your Finance, Ways and Means Committee reports that we have carefully considered but failed to pass: House Bill No. 303.

BRAGG, Chair.

**GOVERNMENT OPERATIONS  
February 25, 1992**

**MR. SPEAKER:** Your Government Operations Committee reports that we have carefully considered and recommend for passage: House Bill(s) No(s). 1781, 1791, 1792, 1793, 1795, 1800, 1804, 1806, 1807, 1809, 1810, 1811, 1812, 1814, 1833 and 1841; also, House Bill No. 1790 if amended.

KING, Chair.

Under the rules, House Bill(s) No(s). 1781, 1791, 1792, 1793, 1795, 1800, 1804, 1806, 1807, 1809, 1810, 1811, 1812, 1814, 1833 and 1841; also, House Bill No. 1790 with amendment(s) was/were transmitted to the Calendar and Rules Committee.

**STATE AND LOCAL GOVERNMENT  
February 25, 1992**

**MR. SPEAKER:** Your State and Local Government Committee reports that we have carefully considered and recommend for passage: House Bill(s) No(s). 1644, 1650, 1652, 1713 and 1735; also, House Bill(s) No(s). 432, 476 and 1653 if amended.

LOVE, Chair.

Under the rules, House Bill(s) No(s). 1644, 1650, 1652, 1713 and 1735; also, House Bill(s) No(s). 432, 476 and 1653 with amendment(s) was/were transmitted to the Calendar and Rules Committee.

**TRANSPORTATION  
February 25, 1992**

**MR. SPEAKER:** Your Transportation Committee reports that we have carefully considered and recommend for passage: House Bill(s) No(s). 1655, 1674, 1715, 1717, 1723, 1724, 1741, 1865, 1870, 2108 and 2109; House Bill(s) No(s). 1718 if amended; also, House Joint Resolution(s) No(s). 454 if amended.

ROBB ROBINSON, Chair.

Under the rules, House Bill(s) No(s). 1655, 1674, 1715, 1717, 1723, 1724, 1741, 1865, 1870, 2108 and 2109; House Bill(s) No(s). 1718 with amendment(s); also, House Joint Resolution(s) No(s). 454 with amendment(s) was/were transmitted to the Calendar and Rules Committee.

**REPORT OF COMMITTEE ON CALENDAR AND RULES**

**February 26, 1992**

**MR. SPEAKER:** Your Calendar and Rules Committee reports that we have met and set the following bills on the Regular Calendar for Monday, March 2, 1992: House Bill(s) No(s). 1664 and 1826.

We further report that we have met and set the following bill(s) and/or resolution(s) on the Consent Calendar for Monday, March 2, 1992: House Bill(s) No(s). 1819, 1829, 1823, 1802, 1799, 1775, 1816 and 1828.

**PHILLIPS, Chair.**

**CONSERVATION AND ENVIRONMENT**

**February 26, 1992**

**MR. SPEAKER:** Your Conservation and Environment Committee reports that we have carefully considered and recommend for passage: House Bill(s) No(s). 1587.

**HILLIS, Chair.**

Under the rules, House Bill(s) No(s). 1587 was/were transmitted to the Calendar and Rules Committee.

**HEALTH AND HUMAN RESOURCES**

**February 26, 1992**

**MR. SPEAKER:** Your Health and Human Resources Committee reports that we have carefully considered and recommend for passage: House Bill(s) No(s). 1849 and 1903.

**DIXON, Chair.**

Under the rules, House Bill(s) No(s). 1849 and 1903 was/were transmitted to the Calendar and Rules Committee.

**JUDICIARY**

**February 26, 1992**

**MR. SPEAKER:** Your Judiciary Committee reports that we have carefully considered and recommend for passage: House Bill(s) No(s). 1743.

**BUCK, Chair.**

**WEDNESDAY, FEBRUARY 26, 1992 -- SIXTY-THIRD LEGISLATIVE DAY**

Under the rules, House Bill(s) No(s). 1743 was/were transmitted to the Calendar and Rules Committee.

We further report that the following was/were considered but failed to pass: House Joint Resolution No. 35.

**RULES SUSPENDED**

Rep. Purcell moved that the Calendar and Rules Committee meet at this time to hear House Bill No. 476, and further moved to suspend the rules so that if House Bill No. 476 is recommended by Calendar and Rules it can be placed as the first bill on the Calendar for today, which motions prevailed.

**MOTION TO RECESS**

Rep. Purcell moved that the House stand in recess so that the Calendar and Rules Committee could meet, which motion prevailed.

**RECESS EXPIRED**

The Speaker called the House to order.

On motion of Rep. Chiles, the roll call was dispensed with.

**REPORT OF COMMITTEE ON CALENDAR AND RULES  
February 26, 1992**

MR. SPEAKER: Your Calendar and Rules Committee reports that we have met and set the following bills on the **Regular Calendar** for **Wednesday, February 26, 1992**: House Bill(s) No(s). 476.

PHILLIPS, Chair.

**MESSAGE FROM THE SENATE  
February 26, 1992**

MR. SPEAKER: I am directed to transmit to the House, Senate Joint Resolution(s) No(s). 371; adopted for concurrence.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**RULES SUSPENDED**

Rep. Cole moved that the rules be suspended for the immediate consideration of Senate Joint Resolution No. 371 out of order, which motion prevailed.

WEDNESDAY, FEBRUARY 26, 1992 — SIXTY-THIRD LEGISLATIVE DAY

Senate Joint Resolution No. 0371 -- Memorials, Public Service --  
Congressman James H. Quillen. by \*Atchley, \*et al.

On motion, the rules were suspended for the immediate concurrence in the resolution.

On motion of Rep. Cole, the resolution was concurred in.

A motion to reconsider was tabled.

#### UNDER THE RULE

Rep. Shirley requested that the Speaker put the House under the rule anytime the rules are suspended today. The Speaker so ordered.

#### REGULAR CALENDAR

\*House Bill No. 0476 -- Taxes -- Enacts "Tax Reform Law of 1991". Amends TCA, Titles 2, 67.

Rep. Copeland moved that House Bill No. 476 be passed on third and final consideration.

Rep. Love moved adoption of State and Local Government Committee Amendment No. 1 as follows:

#### Amendment No. 1

AMEND House Bill No. 476 by deleting the word "person" in item (14) of Section 40 and by substituting instead the words "person or individual".

AND FURTHER AMEND by adding the following new item in Section 40:

( ) "Person" includes joint-stock companies, business trusts, corporations, or other forms of organizations, whether domestic or foreign, transacting business in or deriving income from sources within this state.

AND FURTHER AMEND by deleting Section 41(a) in its entirety and by substituting instead the following:

An annual tax shall be paid for each taxable year by every resident individual and every person upon such resident's or person's entire income from whatever source derived except as provided in subsection (e) at the rate established pursuant to subsection (b).

AND FURTHER AMEND by adding the following at the end of Section 41:

(e) The annual tax paid by persons pursuant to subsection (a) shall be levied only upon the entire income from all tangible property located in this state, from all intangible property that has acquired a business situs in this state and from business, trade, professions, occupations or other activities carried out in this state. The department of revenue shall promulgate regulations in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5, to define income subject to taxation pursuant to this subsection.

AND FURTHER AMEND by adding the following new section immediately preceding Section 62:

Section \_\_\_\_\_. Any business entity taxed pursuant to this act who as a result of this act, pays less total state taxes than such person would have paid if this act had not been enacted shall pass such tax savings on to customers of such entity.

On motion, Amendment No. 1 was adopted by the following vote:

Ayes. . . . .	92
Noes. . . . .	1

Representatives voting aye were: Allen, Anderson, Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Callicott, Chiles, Chumney, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, Dixon, Duer, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Hill, Hillis, Holcomb, Holt, Hubbard, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Kent, Kernell, King, Kisber, Knight, Liles, Love, McAfee, McDaniel, Meyer, Moore, Napier, Niceley, Nuber, Odom, Peroulas Draper, Phillips, Pinion, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Sipes, Stamps, Tindell, Tullos, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 92.

Representatives voting no were: Shirley -- 1.

Thereupon, Rep. Copeland moved that House Bill No. 476, as amended, be passed on third and final consideration.

Rep. Bragg moved the previous question, which motion failed by the following vote:

Ayes. . . . .	39
Noes. . . . .	53
Present and not voting. . . . .	1

Representatives voting aye were: Anderson, Bell, Bragg, Buck, Collier, Crain, Cross, Davis (Cocke), Davis (Gibson), Duer, Garrett, Hassell, Head, Hill, Hillis, Holcomb, Holt, Huskey, Kent, Knight, Meyer, Moore, Napier, Niceley, Phillips, Pinion, Pruitt, Rhinehart, Ridgeway, Rinks, Shirley, Tindell, Walley, West, Whitson, Williams (Union), Windle, Winningham, Wix — 39.

Representatives voting no were: Allen, Armstrong, Arriola, Bittle, Bivens, Byrd, Callicott, Chiles, Chumney, Clark, Coffey, Cole, Copeland, Curlee, Davidson, Davis (Knox), DeBerry, Dixon, Ferguson, Fowlkes, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Haun, Herron, Hubbard, Johnson, Jones R (Shelby), Joyce, Kernell, King, Kisber, McAfee, McDaniel, McKee, Nuber, Odom, Peroulas, Draper, Purcell, Robinson (Hamilton), Robinson (Washington), Severance, Sipes, Stamps, Tullos, Turner (Hamilton), Turner (Shelby), Venable, Williams (Shelby), Wood — 53.

Representatives present and not voting were: Love — 1.

Rep. R. Jones moved to amend as follows:

#### Amendment No. 2

AMEND House Bill No. 476 by deleting all language following the enacting clause and substituting instead the following:

SECTION 1. In order to ascertain the will of the people with respect to whether or not a limited constitutional convention should be called, there shall be submitted to the people of the state at the regular August election, to be held on Thursday, August 6, 1992, one (1) question, which shall be printed in full on each ballot or voting machine, in words and figures as follows:

#### CONSTITUTIONAL REFERENDUM

Question: Shall a convention be held to alter or reform Article II, Sections 28, 29 and 30 and Article 11, Section 9 of the Constitution on taxation?

\_\_\_\_ FOR THE CONVENTION  
\_\_\_\_ AGAINST THE CONVENTION

Voters will indicate their choice by placing a cross mark (x) opposite one or the other of the above expressions.

SECTION 2. The proper officers in all counties shall immediately after the election make a return to the secretary of state of the number of votes cast in their respective counties "For the Convention" and the number of votes cast "Against the Convention" with respect to the question in Section 1, and after comparison of the returns by the secretary of state and the attorney general, the governor shall, by proclamation, announce the results.



SECTION 3. If the people approve the question and thereby authorize the convention, delegates shall be elected at the regular November election which shall be held on Tuesday, November 3, 1992, under the general election laws of the state in the several counties and senatorial districts. There shall be thirty-three (33) delegates, with one (1) to be elected by the qualified voters of each senatorial district from which members are elected to the senate of the general assembly of Tennessee, as such districts exist at the time delegates are elected to the Constitutional Convention. Delegates shall be subject to the Campaign Financial Disclosure Law, Tennessee Code Annotated, Title 2, Chapter 10, Part 1.

SECTION 4. Any person who is twenty-one (21) years of age, a citizen of the United States, and a citizen of Tennessee for three (3) years and a resident of the district for one (1) year may become a candidate for delegate to the convention upon filing with the county election commission of the county of residence a nominating petition containing not less than twenty-five (25) names of legally qualified voters of the senatorial district. In the case of a candidate from a senatorial district comprising more than one (1) county, only one (1) qualifying petition need be filed by the candidate, and that in the candidate's home county, with a certified copy thereof filed with the election commission of the other counties in the senatorial district.

Every person desiring to become a delegate to the convention shall qualify by the filing of qualifying petition or petitions by 12:00 o'clock noon, prevailing time, on September 3, 1992. The names of candidates for the delegates to the convention shall be placed on the official ballot alphabetically without reference to political affiliation. The candidate who receives the greatest number of votes shall be the delegate.

The returns from the various counties of the state electing delegates to the convention shall be certified to the secretary of state and canvassed by the secretary of state, the governor and the attorney general in the same manner and form as the returns are required to be certified from the election in which the people vote for and against the call of the convention, as provided in Section 1, and the governor shall, by proclamation, announce the names of those elected as delegates to the convention. Delegates to the convention, elected and certified, shall receive a certificate of election signed by the governor and attested by the secretary of state under the great seal of the state.

SECTION 5. The delegates elected to the convention shall assemble in the chamber of the senate at Nashville at 12:00 o'clock noon on July 1, 1993, and organize by electing one (1) of their members as president, another as secretary, and by electing such other officers as they consider necessary. If a majority of the delegates are not present on that date, those present shall adjourn from day to day until a majority appears,

when the convention shall be organized. The convention when organized may adopt its own rules of procedure and employ such clerks, stenographers, reports, sergeants-at-arms, and other assistants as the convention considers necessary and fix the amount of their compensation.

The compensation of the delegates to the convention shall be a per diem allowance in such amount as may prevail during the time the convention meets for members of the general assembly and they shall also be allowed the same mileage allowance as may be provided to members of the general assembly during the time the convention meets, which shall be paid by the state in the same manner that members of the general assembly are paid, upon certification by the president and secretary of the convention. Compensation and expenses of delegates and such other incidental expenses as may be necessarily incurred by the convention shall be paid by the commissioner of finance and administration on warrant drawn upon the treasurer, upon certification of the president and secretary of the convention. Compensation and expenses shall be limited to not more than sixty (60) convention days.

In case there shall be a vacancy in the membership of the convention from any county or senatorial district, it shall be filled by election by the legislative body of the county of residence of the delegate whose seat becomes vacant.

SECTION 6. It is the duty of the secretary of state to make publication in at least one (1) general circulation newspaper published in each county of the fact that a constitutional convention election is to be held in the state on Thursday, August 6, 1992. Any county not having a general circulation newspaper shall be considered to have been notified by publication in the newspaper published in counties immediately adjacent thereto. The secretary of state shall also certify to the various commissioners of the different counties the form for the ballot with reference to the constitutional convention election agreeable to the terms of this act and furnish the election commissioners with any other printed information pertaining to the election that is material or necessary.

If the people vote in favor of the convention, then it is the duty of the secretary of state to issue a call for the election of delegates to the convention. The election shall be held in the various counties of the state on Tuesday, November 3, 1992, and the secretary of state shall certify to the various county election commissioners the form of the ballot to be used in the election of delegates as provided in Section 4.

All ballots used in the 1992 regular August election shall include the above question as to holding the limited constitutional convention and the ballots used in the 1992 regular November election shall include the names of the candidates for delegates to such convention.

SECTION 7. The final action of the convention with respect to the alteration, reformation, abolishment or amendment of the section and the subject matter of the Constitution of Tennessee as set out in this act shall be duly certified by the president and the secretary of the convention and the original certified copy shall be transmitted to the secretary of state.

SECTION 8. Any amendment to the constitution adopted by the convention shall be submitted to the voters of the state for ratification or rejection of each separate amendment at an election to be held in such manner and on such date after the final adjournment of the convention as may be fixed and determined by the convention. If, for any reason, the convention itself does not call an election, then the general assembly next convening shall call an election for this purpose, fixing the date for the election and form of the ballot that shall be used. The official ballot to be used in any such election shall be arranged so that the voter can vote separately for the ratification or rejection of each and every amendment. Any election so held shall be held under the general election laws of the state.

When the election to ratify or reject any amendment to the constitution has been held, the various county election commissioners shall certify the result thereof in each county to the secretary of state, who, together with the governor and attorney general, shall canvass the returns and the governor shall issue a proclamation showing the result of the election on the ratification or rejection of the amendment. All amendments ratified and approved in the election held for that purpose shall be proclaimed by the governor as a part of the constitution of the state and such proclamation shall be filed in the office of the secretary of state.

SECTION 9. All expenses in connection with the holding of any of the elections authorized by this act shall be paid by the commissioner of finance and administration on warrant drawn upon the treasurer upon certification by the secretary of state to the correctness of each account. No compensation shall be paid by the state to the various county election commissioners for their services or for rental space or quarters in the various counties for places for holding any elections herein authorized.

SECTION 10. Any person acting as a lobbyist at the constitutional convention shall comply with Tennessee Code Annotated, Title 3, Chapter 6, as if the convention were the general assembly of the state of Tennessee.

SECTION 11. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 12. This act shall take effect upon becoming a law, the public welfare requiring it.

Rep. Copeland moved that Amendment No. 2 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	69
Noes. . . . .	27
Present and not voting. . . . .	1

Representatives voting aye were: Allen, Anderson, Bittle, Callicott, Chiles, Clark, Coffey, Cole, Copeland, Curlee, Davis (Cocke), Davis (Gibson), Duer, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Herron, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Joyce, Kent, Kernell, Kisber, Knight, Liles, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Niceley, Odom, Peroulas Draper, Pinion, Purcell, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tullos, Turner (Hamilton), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Winningham, Wix, Wood -- 69.

Representatives voting no were: Armstrong, Arriola, Bell, Bivens, Bragg, Buck, Byrd, Chumney, Collier, Crain, Cross, Davidson, Davis (Knox), DeBerry, Dixon, Ferguson, Johnson, Jones R (Shelby), Jones U (Shelby), King, Love, Nuber, Pruitt, Rhinehart, Tindell, Turner (Shelby), Windle -- 27.

Representatives present and not voting were: Mr. Speaker Naifeh -- 1.

#### REQUEST

Rep. Bivens moved that the wall clock be the official time clock of the House. Without objection, the Speaker so ordered.

#### REGULAR CALENDAR, CONTINUED

Rep. Bell moved the previous question, which motion failed by the following vote:

Ayes. . . . .	61
Noes. . . . .	36
Present and not voting. . . . .	1

Representatives voting aye were: Allen, Anderson, Bell, Bragg, Buck, Callicott, Clark, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Fowlkes, Garrett, Givens, Gunnels, Halteman, Haun, Head, Hill, Hillis, Holcomb, Holt, Huskey, Jackson, Joyce, Kent, Knight, Liles, Love, McAfee, McKee, Meyer, Moore, Napier, Odom, Phillips, Pinion, Pruitt, Rhinehart,

Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Tindell, Venable, Walley, West, Whitson, Williams (Union), Winningham, Wix, Wood -- 61.

Representatives voting no were: Armstrong, Arriola, Bittle, Bivens, Byrd, Chiles, Chumney, Coffey, Davis (Knox), DeBerry, Dixon, Duer, Ferguson, Haley, Hargrove, Harrill, Hassell, Herron, Hubbard, Johnson, Jones R (Shelby), Jones U (Shelby), Kernell, King, Kisber, McDaniel, Niceley, Nuber, Peroulas Draper, Sipes, Stamps, Tullos, Turner (Hamilton), Turner (Shelby), Williams (Shelby), Windle -- 36.

Representatives present and not voting were: Purcell -- 1.

Rep. Severance moved the previous question, which motion prevailed by the following vote:

Ayes. . . . .	78
Noes. . . . .	17
Present and not voting. . . . .	4

Representatives voting aye were: Allen, Anderson, Arriola, Bell, Bittle, Buck, Callicott, Chiles, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Dixon, Duer, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Hassell, Haun, Head, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Johnson, Joyce, Kent, King, Knight, Liles, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Nuber, Odom, Peroulas Draper, Pinion, Pruitt, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Tullos, Turner (Hamilton), Venable, Walley, West, Whitson, Williams (Union), Winningham, Wix, Wood -- 78.

Representatives voting no were: Armstrong, Bivens, Byrd, Chumney, Davis (Knox), DeBerry, Harrill, Herron, Jones R (Shelby), Jones U (Shelby), Kernell, Kisber, Niceley, Phillips, Turner (Shelby), Williams (Shelby), Windle -- 17.

Representatives present and not voting were: Bragg, Love, Purcell, Mr. Speaker Naifeh -- 4.

Thereupon, Rep. Copeland moved that **House Bill No. 476**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes. . . . .	59
Noes. . . . .	37

Representatives voting aye were: Allen, Anderson, Arriola, Bittle, Callicott, Chiles, Clark, Coffey, Copeland, Davis (Cocke), Dixon, Duer, Ferguson, Gunnels, Haley, Halteman, Hargrove, Haun, Head, Hill, Holcomb, Huskey, Jackson, Johnson, Jones R (Shelby), Kent, Kernell, King, Kisber, Liles, Love, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Nuber, Odom, Peroulas Draper, Pruitt, Rigsby, Rinks, Robinson (Davidson), Robinson (Washington), Severance, Sipes,

Stamps, Tullos, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Williams (Shelby), Williams (Union), Windle, Winningham, Wood -- 59.

Representatives voting no were: Armstrong, Bell, Bivens, Bragg, Buck, Byrd, Chumney, Cole, Collier, Crain, Cross, Curlee, Davidson, Davis (Gibson), Davis (Knox), Fowlkes, Garrett, Givens, Harrill, Hassell, Herron, Hillis, Holt, Hubbard, Joyce, Knight, Niceley, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Shirley, Tindell, Whitson, Wix, Mr. Speaker Naifeh -- 37.

A motion to reconsider was tabled.

House Bill No. 0868 -- Taxes -- Makes certain revisions to tax provisions. Amends TCA, Title 67, Chs. 2, 4, 67-6-102, 67-6-702.

On motion, House Bill No. 868 was made to conform with Senate Bill No. 777.

On motion, Senate Bill No. 777, on same subject, was substituted for House Bill No. 868.

Rep. Rhinehart moved that Senate Bill No. 777 be passed on third and final consideration.

On motion, Rep. Bragg withdrew Finance, Ways and Means Committee Amendment No. 1.

On motion, Rep. Bragg withdrew Finance, Ways and Means Committee Amendment No. 2.

On motion, Rep. Bragg withdrew Finance, Ways and Means Committee Amendment No. 3.

On motion, Rep. Bragg withdrew Finance, Ways and Means Committee Amendment No. 4.

Rep. Rhinehart moved that Amendment No. 5 be withdrawn and Amendment No. 23 be substituted, which motion prevailed.

Rep. Purcell moved to amend as follows:

#### Amendment No. 23

AMEND Senate Bill No. 777 by deleting all language following the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-202, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 2. Tennessee Code Annotated, Section 67-6-203, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 3. Tennessee Code Annotated, Section 67-6-204, is amended by deleting the words and number "five and one-half percent (5.5%)" wherever it appears and substituting instead the words and number "six percent (6%)".

SECTION 4. Tennessee Code Annotated, Section 67-6-205, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 5. Tennessee Code Annotated, Section 67-6-221, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 6. Tennessee Code Annotated, Title 67, Chapter 4, is amended by adding the following new section:

Section \_\_\_\_\_. (a) There is levied a tax on the privilege of filing the following documents with the secretary of state in the following amounts:

<u>Document</u>	<u>Tax</u>
(1) Charter (including designation of initial registered office and agent).....	\$50.00
(2) Application for use of indistinguishable name.....	10.00
(3) Application for reserved name.....	10.00
(4) Notice of transfer or cancellation of reserved name.....	10.00
(5) Application for registered name.....	10.00
(6) Application for renewal for registered name	10.00
(7) Application for or change, cancellation, or renewal of, assumed name.....	10.00
(8) Corporation's statement of change of registered agent or registered office or both	10.00
(9) Agent's statement of change of registered office.....	10.00
(10) Agent's statement of resignation.....	10.00

(11) Charter amendment.....	10.00
(12) Restatement of charter.....	10.00
(13) Amended and restated charter.....	10.00
(14) Articles of merger or share exchange.....	50.00
(15) Articles of dissolution and termination by incorporators or initial directors.....	10.00
(16) Articles of dissolution.....	10.00
(17) Articles of revocation of dissolution.....	10.00
(18) Articles of termination of corporate existence.....	10.00
(19) Certificate of administrative dissolution...	10.00
(20) Application for reinstatement following administrative dissolution.....	35.00
(21) Articles of termination following administrative dissolution or revocation....	50.00
(22) Application for certificate of authority (including designation of initial registered office and agent).....	300.00
(23) Application for amended certificate of authority.....	10.00
(24) Application for certificate of withdrawal..	10.00
(25) Application for certificate of withdrawal following administrative revocation.....	50.00
(26) Application for reinstatement following revocation.....	35.00
(27) Annual report.....	10.00
(28) Articles of correction.....	10.00
(29) Application for certificate of existence or authorization.....	10.00
(30) Any other document required or permitted to be filed by chapters 11-27 of this title....	10.00

(b) There is levied a tax in the amount of ten dollars(\$10) on the privilege of receiving the following services from the secretary of state:



(1) Acceptance of process pursuant to Title 48, Chapters 11-27; or

(2) Copying documents relating to a domestic or foreign corporation.

(c) The taxes levied by this section shall be in addition to all other taxes and fees levied by law.

(d) The taxes levied by this section are due and payable at the time the privilege is exercised and shall be delinquent if paid any time thereafter.

(e) Taxes shall be collected by the secretary of state and deposited in the state general fund.

(f) The secretary of state is authorized to promulgate regulations in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5, to implement, administer and enforce the provisions of this section.

SECTION 7. Tennessee Code Annotated, Section 67-4-602, is amended by adding the following new subsection:

( ) In addition to any other tax levied by this chapter, there is levied an additional privilege tax on litigation of two dollars and fifty cents (\$2.50) in all criminal cases and in all civil cases. Notwithstanding the provisions of Section 67-4-606, all revenue derived from such tax shall be deposited in the state general fund.

SECTION 8. Tennessee Code Annotated, Title 67, Chapter 4, is amended by adding the following sections as a new part:

Section \_\_\_\_\_. The engaging in any vocation, profession, business or occupation hereinafter named in this part is declared to be a privilege taxable by the state alone. The privilege tax established in this part shall be collected by the commissioner of revenue and deposited to the general fund.

Section \_\_\_\_\_. There is levied a tax on the privilege of engaging in the following vocations, professions, businesses or occupations:

(1) persons registered as lobbyists pursuant to Section 3-6-104;

(2) persons licensed or registered under Title 48, Chapter 2 as:

(a) broker-dealers;

(b) agents; and

(c) investment advisors;

(3) persons licensed or registered under Title 62 as:

(a) accountants;

(b) engineers;

(c) architects;

(d) landscape architects; and

(e) brokers, as defined in Tennessee Code Annotated, Section 62-13-102(2);

(4) persons licensed or registered under Title 63 as:

(a) chiropractors;

(b) dentists;

(c) physicians;

(d) pharmacists;

(e) psychologists;

(f) optometrists;

(g) veterinarians;

(h) audiologists;

(i) osteopathic physicians;

(j) podiatrists; and

(k) speech pathologists; and

(5) persons licensed as attorneys by the supreme court of Tennessee.

Section \_\_\_\_.

(a) The privilege tax established by this part shall be two hundred dollars (\$200) annually. The privilege tax shall be due and payable on June 1 of each year. Taxes paid after June 1 are delinquent.

(b) Any person who is licensed or registered for two (2) or more professions taxed pursuant to the provisions of this part shall not be required to pay more than one (1) tax in the amount of two hundred dollars (\$200).

Section \_\_\_\_\_. Penalties and interest shall be assessed and collected by the commissioner of revenue on delinquent taxes in accordance with the provisions of Tennessee Code Annotated, Title 67, Chapter 1. Failure to pay the privilege tax pursuant to the provisions of this part shall not constitute a grounds for discipline, suspension or revocation of any license or registration.

Section \_\_\_\_\_. The taxes levied by this part shall not be construed to be a regulatory fee.

Section \_\_\_\_\_. The taxes levied by this part shall be in addition to all other taxes and fees levied by law.

Section \_\_\_\_\_. The commissioner of revenue is authorized to promulgate rules and regulations in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5, to implement, administer and enforce the provisions of this part.

SECTION 9. (a) All revenues generated from the increase in the sales tax rate from April 1, 1992 through June 30, 1992, shall be earmarked and allocated for education purposes and distributed to the local education agencies on a per pupil basis, notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-103, to the contrary. At least fifty percent (50%) of such funds shall be expended for nonrecurring items, including but not limited to, textbooks, supplies and equipment. No funds earmarked and allocated pursuant to this subsection shall be used for salary increases or supplements.

(b) All revenue generated from the increase in the sales tax rate pursuant to Sections 1-5 after June 30, 1992, shall be deposited in the state general fund and earmarked for education purposes in grades K-12, notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-103, to the contrary.

SECTION 10. Tennessee Code Annotated, Section 67-6-222, is repealed.

SECTION 11. Tennessee Code Annotated, Section 67-6-343, is amended by deleting the language thereof in its entirety and substituting instead the following:

There shall be exempt from the sales tax the retail sale of motor vehicles subject to registration and titling in this state pursuant to Section 55-3-101, that are not registered and titled in this state but are removed for use in another state within three (3) calendar days of purchase. Use of such motor vehicles within this state subsequent to purchase, but prior to removal from the state, shall not constitute a use subject to tax. For the purposes of this section, vehicles subject to registration and titling in this state pursuant to Section 55-3-101

shall be deemed to include all off-highway motor vehicles as defined in Section 55-3-101(c)(2).

SECTION 12. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new section:

There shall be exempt from the sales tax the retail sale of boats, motorboats and other vessels as defined by Section 69-10-204, that are subject to registration and identification in this state pursuant to Section 69-10-206, that are not registered and identified in this state, but are removed for use in another state within three (3) calendar days after physical possession of the boat, motorboat or other vessel has passed to the retail purchaser. Use of such boat, motorboat or other vessel within this state subsequent to purchase, but prior to removal from the state, shall not constitute a use subject to tax.

SECTION 13. Tennessee Code Annotated 67-6-509, is amended by adding new subsections as follows:

(c) Notwithstanding the formula provided by subsection (a), the deduction provided by this section shall be limited to a maximum of fifty dollars (\$50) per report.

(d) Notwithstanding any other provision of law, an amount equal to the excess of the amount calculated by the formula provided by subsection (a) over the fifty dollar limit provided by subsection (c) shall be retained by the state and deposited to the general fund.

SECTION 14. Tennessee Code Annotated 67-6-103, is amended by designating subsection (b) as subdivision (b)(1) and by adding the following new subdivision:

(2) Notwithstanding the provisions of subdivision (1) of this subsection to the contrary, after June 30, 1992, in lieu of depositing tax revenues from the sale, use, consumption, distribution, or storage for use or consumption of fuels used for aviation, railways or water carriers into the transportation equity fund, there shall be deposited to such transportation equity fund three percent (3.0%) of the total revenues collected pursuant to Title 67, Chapter 3, Part 6, such deposit to occur prior to the distribution provided for in Section 67-3-617. The provisions of this subdivision shall not supersede or affect the provisions of Section 67-3-501.

SECTION 15. Tennessee Code Annotated, Section 67-6-702(a)(1), is amended by deleting the language "one-half (1/2) of the rates levied therein" and by substituting instead the language "two and three-fourths percent (2 3/4%)".

SECTION 16. If any provision of this act or the

application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

**SECTION 17.** This act shall take effect April 1, 1992, the public welfare requiring it and Sections 1-5 shall be repealed and shall be null and void on June 30, 1993.

#### **DIVISION OF THE QUESTION**

Rep. Hubbard requested to divide the question on Section No. 8 of Amendment No. 23; without objection, so ordered.

Rep. R. Jones moved that the House divide every section of the Amendment, which was objected to.

#### **PARLIAMENTARY INQUIRY**

Rep. Clark inquired if the rules state anything about only being able to divide the question one time.

#### **RULING OF THE CHAIR**

Mr. Speaker Naifeh indicated that they do not, and that Section 8 had already been divided as Division 2 to Amendment No. 23.

#### **MOTION**

Rep. R. Jones renewed his motion to divide each section of the bill and asked for a ruling of the Chair under Rule 34.

#### **RULING OF THE CHAIR**

Under Rule No. 34, a member can request a division by sections, even paragraphs; but since there were objections, that member must have the necessary votes to sustain that motion by a majority vote.

#### **REGULAR CALENDAR, CONTINUED**

Rep. Hubbard withdrew his motion to divide the question on Section 8.

#### **MOTION**

Rep. R. Jones renewed his request that each section of Amendment No. 23 be divided, which was objected to. The motion failed by the

following vote:

Ayes. . . . .	27
Noes. . . . .	64
Present and not voting. . . . .	1

Representatives voting aye were: Armstrong, DeBerry, Dixon, Gunnels, Hassell, Herron, Holcomb, Hubbard, Jackson, Jones R (Shelby), Jones U (Shelby), Kernell, King, Kisber, Love, Niceley, Nuber, Phillips, Pruitt, Robinson (Hamilton), Shirley, Stamps, Tullos, Turner (Shelby), Venable, Williams (Shelby), Williams (Union) -- 27.

Representatives voting no were: Allen, Anderson, Arriola, Bell, Bittle, Bivens, Buck, Byrd, Callicott, Chiles, Chumney, Clark, Coffey, Cole, Collier, Crain, Cross, Curlee, Davidson, Davis (Gibson), Davis (Knox), Duer, Ferguson, Fowlkes, Givens, Haley, Halteman, Hargrove, Harrill, Haun, Head, Hill, Hillis, Holt, Huskey, Johnson, Kent, Knight, Liles, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Odom, Peroulas Draper, Pinion, Purcell, Ridgeway, Rigsby, Rinks, Robinson (Washington), Severance, Sipes, Tindell, Turner (Hamilton), Walley, West, Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 64.

Representatives present and not voting were: Bragg -- 1.

Thereupon, Rep. Purcell renewed the motion to adopt Amendment No. 23, which motion prevailed by the following vote:

Ayes. . . . .	53
Noes. . . . .	39

Representatives voting aye were: Allen, Anderson, Armstrong, Bell, Bittle, Bivens, Bragg, Buck, Coffey, Cole, Collier, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Duer, Ferguson, Fowlkes, Givens, Haley, Hargrove, Haun, Head, Hill, Hillis, Holt, Hubbard, Huskey, Johnson, Kent, Knight, Love, McAfee, Napier, Peroulas Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Tindell, Turner (Hamilton), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 53.

Representatives voting no were: Arriola, Byrd, Callicott, Chiles, Chumney, Clark, Davis (Knox), DeBerry, Dixon, Garrett, Gunnels, Halteman, Harrill, Hassell, Holcomb, Jones R (Shelby), Jones U (Shelby), Joyce, Kernell, King, Kisber, Liles, McDaniel, McKee, Meyer, Niceley, Nuber, Odom, Pruitt, Severance, Shirley, Sipes, Stamps, Tullos, Turner (Shelby), Venable, West, Williams (Shelby), Williams (Union) -- 39.

# REQUEST TO CHANGE VOTE

MR. SPEAKER: Pursuant to Rule No. 31, I wish to express a

desire to change my original stand from aye to no on Amendment No. 23 to Senate Bill No. 777 and have this statement entered in the Journal.

Rep. Maria Peroulas Draper

**REQUEST TO CHANGE VOTE**

MR. SPEAKER: Pursuant to Rule No. 31, I wish to express a desire to change my original stand from not voting to aye on Amendment No. 23 to Senate Bill No. 777 and have this statement entered in the Journal.

Rep. Page Walley

**REQUEST TO CHANGE VOTE**

MR. SPEAKER: Pursuant to Rule No. 31, I wish to express a desire to change my original stand from present not voting to no on Amendment No. 23 to Senate Bill No. 777 and have this statement entered in the Journal.

Rep. Zane Whitson

**REGULAR CALENDAR, CONTINUED**

Rep. Haley moved to amend as follows:

**Amendment No. 6**

Amend Senate Bill No. 777 by designating the amendatory language in Section 10 as subsection (a) and by adding the following new language to the amendatory language in Section 10 as subsection (b):

(b) The tax levied by this section shall not apply to any accountant, engineer, architect, landscape architect, or real estate broker who presents to the appropriate board a certified affidavit attesting to his or her inactive status in the practice of such profession.

by designating the amendatory language in Section 11 as subsection (a) and by adding the following new language to the amendatory language in Section 11 as subsection (b):

(b) The tax levied by this section shall not apply to any pharmacists who presents to the Tennessee board of pharmacy a certified affidavit attesting to his or her inactive status in the practice of such profession.

On motion, Amendment No. 6 was adopted by the following vote:

Ayes. . . . .	86
Noes. . . . .	10

Representatives voting aye were: Allen, Anderson, Armstrong, Arriola, Bell, Bivens, Bragg, Buck, Chumney, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), DeBerry, Dixon, Duer, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Herron, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Joyce, Kent, Kernell, King, Kisber, Knight, Love, McKee, Meyer, Moore, Napier, Niceley, Odom, Peroulas Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Stamps, Tindell, Tullos, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 86.

Representatives voting no were: Bittle, Byrd, Callicott, Chiles, Davis (Knox), Liles, McDaniel, Pruitt, Shirley, Sipes -- 10.

Rep. Hubbard moved that **Amendment No. 7** be withdrawn and that Amendment No. 22 be substituted, which motion prevailed.

Rep. Hubbard moved to amend as follows:

**Amendment No. 22**

Amend Senate Bill No. 777 by deleting all sections which impose, levy or provide for the collection, administration, implementation or enforcement of a privilege tax on engaging in vocations, professions, businesses, or occupations.

Rep. Rhinehart moved that Amendment No. 22 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	52
Noes. . . . .	40
Present and not voting. . . . .	2

Representatives voting aye were: Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Clark, Cole, Collier, Copeland, Crain, Cross, Davidson, Davis (Cocke), Davis (Gibson), Duer, Ferguson, Fowlkes, Garrett, Givens, Haley, Hargrove, Haun, Head, Herron, Hill, Holcomb, Holt, Huskey, Jackson, Kent, Knight, Love, McAfee, Moore, Napier, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Tindell, Turner (Hamilton), Windle, Winningham, Wix, Mr. Speaker Naifeh -- 52.

Representatives voting no were: Allen, Anderson, Byrd, Callicott, Chumney, Coffey, Curlee, DeBerry, Dixon, Gunnels, Halteman, Harrill, Hassell, Hillis, Hubbard, Jones R (Shelby), Jones U (Shelby), Kernell, King, Kisber, Liles, McDaniel, Meyer, Niceley, Nuber, Odom, Peroulas Draper, Pruitt, Robinson (Washington),



Severance, Shirley, Sipes, Stamps, Tullos, Turner (Shelby), Venable, Walley, West, Williams (Shelby), Wood -- 40.

Representatives present and not voting were: Davis (Knox), Whitson -- 2.

After discussion, at the request of Rep. Rhinehart, Rep. Hubbard moved that Amendments Nos. 8 and 9 be moved five places, which motion prevailed.

After discussion, Rep. Buck moved that Amendment No. 10 be withdrawn, which motion prevailed.

After discussion, Rep. Buck moved that Amendment No. 11 be withdrawn, which motion prevailed.

Rep. Johnson moved that Amendment No. 12 be withdrawn, and that Amendment No. 42 be substituted, which motion prevailed.

Rep. Johnson moved to amend as follows:

**Amendment No. 42**

AMEND Senate Bill No. 777 by deleting all language following the enacting clause and by substituting instead the following:

SECTION 1. Notwithstanding the provisions of Tennessee Code Annotated, Title 67, Chapter 6, or any other law to the contrary, during the period of effectiveness of this act there shall be levied a special, temporary state sales tax at a rate equal to the rate of tax levied on the gross charge for all services taxable by the provisions of Tennessee Code Annotated, Section 67-6-205, on the gross charge for the services, or, if the services are not sold but are used or consumed, on the cost price of the services of the following establishments:

(1) establishments listed in Major Group Numbers 15, 16, 17, 62, and 83 of the Standard Industrial Classification Manual of 1987, prepared by the Office of Management and Budget of the federal government;

(2) establishments listed in Industry Group Numbers 731, 732, 733, 734, 736 and 737 of Major Group Number 73; and Industry Group Number 811 of Major Group Number 81; and Industry Group Numbers 871, 872, and 874 of Major Group Number 87; of the Standard Industrial Classification Manual of 1987, prepared by the Office of Management and Budget of the federal government; and

(3) establishments listed in Industry Number 6531 of Major Group Number 65; and in Industry Numbers 7381 and 7389 of Major Group Number 73; and in Industry

Number 8732 of Major Group Number 87; of the Standard Industrial Classification Manual of 1987, prepared by the Office of Management and Budget of the federal government.

SECTION 2. Notwithstanding the provisions of Tennessee Code Annotated, Title 67, Chapter 6, or any other law to the contrary, during the period of effectiveness of this act, the tax levied pursuant to Tennessee Code Annotated, Section 67-6-212(a)(1), shall also be levied on dues or fees paid to nonprofit membership gymnasiums.

SECTION 3. Notwithstanding the provisions of Tennessee Code Annotated, Title 67, Chapter 6, or any other law to the contrary, during the period of effectiveness of this act, the tax levied pursuant to Tennessee Code Annotated, Section 67-6-212(a)(2), shall also be levied on the sales of tickets, fees or other charges made for admission to or voluntary contributions made to museums and art galleries.

SECTION 4. Notwithstanding the provisions of Tennessee Code Annotated, Title 67, Chapter 6, Part 7, or any other law to the contrary, no local option sales tax shall be assessed or collected on any service upon which a tax is temporarily levied by the provisions of this act.

SECTION 5. All revenue generated from the increase in the sales tax pursuant to this act after July 1, 1992, shall be deposited in the state general fund and earmarked for education purposes in grades K-12 or higher education, notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-103, to the contrary.

SECTION 6. Notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-509, to the contrary, for the purpose of compensating the dealer and accounting for and remitting the sales tax, no dealer shall receive more than fifty dollars (\$50.00) on any report.

SECTION 7. In accordance with the provisions of the uniform administrative procedures act, Tennessee Code Annotated, Title 4, Chapter 5, the department of revenue shall promulgate and enforce such rules as may be reasonably necessary in order to promote the efficient and effective implementation of this act. Such rules shall include, but not necessarily be limited to, regulatory provisions:

(1) to establish proper accounting, reporting, and payment procedures and policies, and

(2) to equitably allocate taxes owed in cases in which an establishment performs services both within and outside the boundaries of Tennessee.

SECTION 8. This act shall take effect on July 1, 1992, the public welfare requiring it, and Sections 1 through 6, inclusive, are hereby repealed effective June 30, 1994.

Rep. Rhinehart moved that Amendment No. 42 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	64
Noes. . . . .	29
Present and not voting. . . . .	2

Representatives voting aye were: Allen, Armstrong, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), Duer, Ferguson, Fowlkes, Givens, Gunnels, Hargrove, Harrill, Hassell, Haun, Herron, Hill, Hillis, Holt, Hubbard, Joyce, Kent, Kisber, Knight, Liles, McAfee, McDaniel, Meyer, Napier, Nuber, Peroulas, Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Sipes, Tullos, Turner (Hamilton), Venable, Walley, Whitson, Windle, Winningham, Wix, Wood -- 64.

Representatives voting no were: Anderson, Arriola, Callicott, Chumney, Curlee, DeBerry, Dixon, Garrett, Haley, Halteman, Head, Holcomb, Huskey, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Kernell, King, McKee, Niceley, Rigsby, Shirley, Stamps, Tindell, Turner (Shelby), West, Williams (Shelby), Williams (Union) -- 29.

Representatives present and not voting were: Moore, Mr. Speaker Naifeh -- 2.

Rep. Garrett moved that Amendment No. 13 be withdrawn, which motion prevailed.

Rep. King moved that Amendment No. 14 be withdrawn, and that Amendment No. 43 be substituted, which motion prevailed.

Rep. King moved to amend as follows:

#### Amendment No. 43

Amend Senate Bill No. 777 by deleting all the language after the enacting clause in its entirety and by substituting instead the following new language:

Section 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 2, is amended by adding the following new section:

Section 67-6-2\_\_\_. There is levied a tax at a rate equal to the rate of tax levied on the gross

charge for all services taxable by the provisions of Tennessee Code Annotated, Section 67-6-205, on the gross charge for the services, or, if the services are not sold but are used or consumed, on the cost price of the services of the following establishments, unless such services are otherwise specifically exempted from such tax by the provisions of Title 67:

(1) establishments listed in Major Group Numbers 07, 15, 16, 17, 62, 64, 80, 81, and 83 of the Standard Industrial Classification Manual of 1987, prepared by the office of management and budget of the federal government

(2) establishments listed in Industry Group Numbers 723, 724, 726, and 729 and Industry Numbers 7215 of Major Group Number 72 of the Standard Industrial Classification Manual of 1987, prepared by the office of management and budget of the federal government

(3) establishments listed in Industry Group Numbers 731, 732, 733, 734, 736, and 737 and Industry Numbers 7381, 7382 and 7389 of Major Group Number 73 of the Standard Industrial Classification Manual of 1987, prepared by the office of management and budget of the federal government

(4) establishments listed in Industry Group Numbers 824 and 829 of Major Group Number 82 of the Standard Industrial Classification Manual of 1987, prepared by the office of management and budget of the federal government.

(5) establishments listed in Industry Group Numbers 871, 872 and 874 and Industry Numbers 8732 of Major Group Number 87 of the Standard Industrial Classification Manual of 1987, prepared by the office of management and budget of the federal government

(6) establishments listed in Industry Numbers 6531 of Major Group Number 65 of the Standard Industrial Classification Manual of 1987, prepared by the office of management and budget of the federal government

Section 2. Tennessee Code Annotated, Section 67-6-102(22)(F)(v), is amended by deleting the words "laundry, dry cleaning or" between the words "coin-operated" and the words "car wash".

Section 3. Tennessee Code Annotated, Section 67-6-206, is amended in subsection (b) by deleting subdivisions (1), (3), and (4) of such subsection in their entirety.

Section 4. Tennessee Code Annotated, Section 67-6-206, is amended by deleting subsection (a) of such section in its entirety.

Section 5. Tennessee Code Annotated, Section 67-6-207, is amended by deleting such section in its entirety.

Section 6. Tennessee Code Annotated, Section 67-6-212(a)(2), is amended by adding the language "museums and art galleries and" between the words "contributions made to" and "places of amusement".

Section 7. Tennessee Code Annotated, Section 67-6-212, is amended in subsection (a) by deleting from subdivision (5) the words "in excess of those charges made for the basic rate charged by the supplier of such services".

Section 8. Tennessee Code Annotated, Section 67-6-216, is amended by deleting such section in its entirety.

Section 9. Tennessee Code Annotated, Section 67-6-217, is amended by deleting such section in its entirety.

Section 10. Tennessee Code Annotated, Section 67-6-303, is amended by deleting such section in its entirety.

Section 11. Tennessee Code Annotated, Section 67-6-304, is amended by deleting such section in its entirety.

Section 12. Tennessee Code Annotated, Section 67-6-312, is amended by deleting such section in its entirety.

Section 13. Tennessee Code Annotated, Section 67-6-316, is amended by deleting such section in its entirety.

Section 14. Tennessee Code Annotated, Section 67-6-320, is amended by deleting such section in its entirety.

Section 15. Tennessee Code Annotated, Section 67-6-329(a), is amended by deleting subitems (1), (2), (5), (6), (7), (8), (11), (13), (14), (21), (24), and (25) in their entirety.

Section 16. Tennessee Code Annotated, Section 67-6-330(a)(7), is amended by deleting the language "not-for-profit museums," from the second line of the item.

Section 17. Tennessee Code Annotated, Section 67-6-330(a), is amended by deleting subitems (18) and (19) in their entirety.

Section 18. Tennessee Code Annotated, Section 67-6-333, is amended by deleting such section in its entirety.

Section 19. No provision of this act shall be construed to authorize a tax to be levied in excess of the rate of tax levied in Section 67-6-205 on any single transaction.

Section 20. Tennessee Code Annotated, Title 67, Chapter 6, Part 7, known as the "1963 Local Option Revenue Act" is amended by deleting the part in its entirety.

Section 21. Notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-103, or any other provision of law to the contrary, all revenues generated from taxes levied or increased by the provisions of this act shall be distributed as follows:

(1) cities and counties shall also receive the same revenue from the state sales and use tax in fiscal year 1992-1993 as such cities and counties received from the local option sales tax in fiscal year 1991-1992 annualized for any local tax increase prior to March 1, 1992, plus three percent (3%) of such amount and in fiscal years thereafter such cities and counties shall receive such amount increased by the same percentage rate of increase as the increase in revenues from the state sales tax; and

(2) the remainder of such funds shall be deposited in the state general fund.

Section 22. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

Section 23. Section 20 shall take effect on July 1, 1992, the public welfare requiring it. All other sections shall take effect on June 1, 1992, the public welfare requiring it.

Rep. Purcell moved that Amendment No. 43 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	75
Noes. . . . .	22

Representatives voting aye were: Allen, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Chiles, Chumney, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), Ferguson, Fowlkes, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Herron, Hill, Hillis, Holt, Hubbard, Huskey, Jackson, Joyce, Kent, Kisber, Knight, Liles, McAfee, McDaniel, Meyer, Moore, Napier, Niceley, Nuber, Odom, Peroulas, Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Stamps, Tullis, Turner (Hamilton), Venable, Walley, West, Whitson, Williams (Shelby), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 75.

Representatives voting no were: Anderson, Armstrong, Callicott, DeBerry, Dixon, Head, Holcomb, Johnson, Jones R (Shelby), Jones U (Shelby), Kernell, King, Love, McKee, Pruitt, Rigsby, Severance, Shirley, Sipes, Tindell, Turner (Shelby), Williams (Union) -- 22.

Rep. Hubbard moved that further discussion of **Amendments Nos. 8 and 9** be moved to the heel, which motion prevailed.

Rep. Crain moved to amend as follows:

**Amendment No. 15**

Amend Senate Bill No. 777 by adding a new section, as follows, to be appropriately designated:

- SECTION \_\_\_\_\_. Any tax, fee, or other charge levied by this act on persons practicing a profession licensed by the state of Tennessee shall be levied only on such persons whose income from the practice of such profession is thirty thousand dollars (\$30,000) or more, per annum.

After discussion, Rep. Crain moved that **Amendment No. 15** be withdrawn, which motion prevailed.

Rep. Buck moved that **Amendment No. 16** be withdrawn, which motion prevailed.

Rep. Collier moved that **Amendment No. 17** be withdrawn, and that **Amendment No. 25** be substituted, which motion prevailed.

Rep. Collier moved to amend as follows:

**Amendment No. 25**

Amend Senate Bill No. 777 by inserting the following language as a new, appropriately designated section immediately preceding the final section and by renumbering the final section accordingly:

Section \_\_\_\_\_. Notwithstanding any provisions of this enactment to the contrary, any professional fee which may be levied elsewhere within this act upon persons licensed as real estate brokers shall be levied only upon such licensees who act as principal brokers pursuant to Tennessee Code Annotated, Section 62-13-309, and each such principal broker shall annually receive a credit against payment of any such professional fee: such credit to equal the amount of gross receipts tax paid during the current tax year by the principal broker.

Rep. Rhinehart moved to divide the question, to which Rep. Collier objected. The motion prevailed by the following vote:

Ayes. . . . .	48
Noes. . . . .	35
Present and not voting. . . . .	4

Representatives voting aye were: Arriola, Bell, Bittle, Bragg, Buck, Byrd, Cole, Copeland, Crain, Cross, Davidson, Davis (Cocke), Davis (Gibson), Dixon, Duer, Ferguson, Givens, Haley, Hargrove, Hassell, Haun, Hill, Hillis, Holt, Huskey, Joyce, Kent, Kisber, Knight, Love, Nuber, Peroulas Draper, Pinion, Purcell, Rhinehart, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Sipes, Tindell, Walley, Williams (Shelby), Windle, Winningham, Wix, Wood -- 48.

Representatives voting no were: Anderson, Armstrong, Bivens, Callicott, Clark, Collier, Curlee, DeBerry, Fowlkes, Gunnels, Halteman, Harrill, Herron, Holcomb, Hubbard, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Kernell, King, McDaniel, McKee, Napier, Niceley, Odom, Phillips, Pruitt, Severance, Shirley, Stamps, Turner (Shelby), Venable, West, Williams (Union) -- 35.

Representatives present and not voting were: Chumney, Moore, Tullos, Whitson -- 4.

After discussion and on request of Rep. Collier, Amendment No. 25 was moved five places.

Rep. Wood moved that Amendment No. 18 be withdrawn, which motion prevailed.

Rep. Walley moved that Amendment No. 19 be withdrawn, which motion prevailed.

After discussion, Rep. King moved that Amendment No. 20 be withdrawn, which motion prevailed.

Rep. Love moved that Amendment No. 21 be withdrawn, which motion prevailed.

After discussion, Rep. Turner (Hamilton) moved that Amendment No. 24 be withdrawn, which motion prevailed.



Further consideration of Amendment No. 25, Division I, by Rep. Collier. Rep. Collier moved adoption of Amendment No. 25, Division I.

**Amendment No. 25 Division I**

Amend Senate Bill No. 777 by inserting the following language as a new, appropriately designated section immediately preceding the final section and by renumbering the final section accordingly:

Section \_\_\_\_ Notwithstanding any provisions of this enactment to the contrary, any professional fee which may be levied elsewhere within this act upon persons licensed as real estate brokers shall be levied only upon such licensees who act as principal brokers pursuant to Tennessee Code Annotated, Section 62-13-309,...

The motion prevailed by the following vote:

Ayes. . . . .	81
Noes. . . . .	6
Present and not voting. . . . .	2

Representatives voting aye were: Allen, Anderson, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Callicott, Chumney, Clark, Coffey, Collier, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Dixon, Duer, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Haun, Head, Herron, Hill, Hillis, Holcomb, Holt, Johnson, Jones R (Shelby), Kent, Kernell, Kisber, Knight, Liles, Love, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Niceley, Nuber, Peroulas Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Tullios, Turner (Hamilton), Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 81.

Representatives voting no were: Byrd, DeBerry, Hubbard, Jones U (Shelby), Rigsby, Venable -- 6.

Representatives present and not voting were: Cole, Turner (Shelby) -- 2.

Thereupon, Rep. Collier moved adoption of Amendment 25, Division II.

**Amendment No. 25 Division II**

...and each such principal broker shall annually receive a credit against payment of any such professional fee: such credit to equal the amount of gross receipts tax paid during the current tax year by the principal broker.

Rep. Purcell moved to table the motion to adopt Division II of Amendment No. 25, which motion failed by the following vote:

Ayes. . . . .	30
Noes. . . . .	55
Present and not voting. . . . .	1

Representatives voting aye were: Bell, Bragg, Buck, Cross, Curlee, Davis (Cocke), Davis (Gibson), Duer, Haley, Hargrove, Holcomb, Huskey, Joyce, Kent, Knight, Love, McAfee, Meyer, Pruitt, Purcell, Rhinehart, Rigsby, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Tindell, Turner (Hamilton), Walley, Wix, Mr. Speaker Naifeh -- 30.

Representatives voting no were: Allen, Armstrong, Arriola, Bittle, Bivens, Byrd, Callicott, Chumney, Clark, Coffey, Cole, Collier, Davidson, Dixon, Ferguson, Fowlkes, Givens, Gunnels, Halteman, Harrill, Haun, Head, Herron, Hillis, Holt, Hubbard, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Kernell, King, Kisber, Liles, McDaniel, McKee, Napier, Niceley, Peroulas Draper, Phillips, Rinks, Severance, Shirley, Sipes, Stamps, Tullos, Turner (Shelby), Venable, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wood -- 55.

Representatives present and not voting were: Moore -- 1.

Thereupon, Rep. Collier moved to adopt Division II of Amendment No. 25, after which it was moved five places.

- Rep. Bragg moved to amend as follows:

**Amendment No. 26**

Amend Senate Bill No. 777 by deleting subsection (a) of Section 9, as amended, and by substituting instead the following:

(a) All revenues generated from the increase in the sales tax rate from April 1, 1992 through June 30, 1992 shall be deposited in the state general fund and earmarked and allocated as follows, notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-103, to the contrary:

(1) Fifty percent (50%) distributed to the local education agencies on a per pupil basis. All of such funds shall be expended for nonrecurring items, including but not limited to textbooks, supplies and equipment. No funds earmarked and allocated pursuant to this subdivision shall be used for salary increases or supplements.

(2) Fifty percent (50%) for general education purposes as allocated by an appropriations act.

On motion, Amendment No. 26 was adopted by the following vote:

Ayes. . . . .	95
Noes. . . . .	0
Present and not voting. . . . .	1

Representatives voting aye were: Allen, Anderson, Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Callicott, Chiles, Chumney, Clark, Coffey, Cole, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), DeBerry, Dixon, Duer, Ferguson, Fowlkes, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Herron, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Johnson, Jones R (Shelby), Joyce, Kent, Kernell, King, Kisber, Knight, Liles, Love, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Niceley, Nuber, Odom, Peroulas Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Tullios, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 95.

Representatives present and not voting were: Davis (Knox) -- 1.

Rep. Bragg moved to amend as follows:

#### Amendment No. 27

Amend Senate Bill No. 777 by adding the following new section immediately preceding the severability clause section and by renumbering the subsequent sections accordingly:

Section \_\_\_\_ Tennessee Code Annotated, Title 67 is amended by deleting Chapter 2 in its entirety. Notwithstanding any provision of this act to the contrary, this section shall take effect June 30, 1993.

#### PARLIAMENTARY INQUIRY

Rep. Garrett inquired if this amendment were to pass would the bill have to be referred to Finance, Ways and Means because of the over \$100,000 impact of the fiscal note on this amendment. He asked for a ruling of the Chair.

#### RULING OF THE CHAIR

Mr. Speaker Naifeh ruled that, under Rule No. 72, since the bill has already been before the Finance, Ways and Means Committee with a total impact of over \$100,000, this bill and this amendment are properly before the House.

REGULAR CALENDAR, CONTINUED

Rep. Hubbard moved that Amendment No. 27 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	53
Noes. . . . .	42
Present and not voting. . . . .	3

Representatives voting aye were: Allen, Anderson, Arriola, Bell, Bivens, Buck, Callicott, Clark, Coffey, Cole, Copeland, Cross, Davidson, Davis (Gibson), Davis (Knox), Dixon, Fowlkes, Garrett, Givens, Gunnels, Herron, Holcomb, Holt, Hubbard, Huskey, Jones R (Shelby), Kent, Kernell, Knight, McAfee, McDaniel, Meyer, Niceley, Nuber, Odom, Peroulas Draper, Pinion, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Shirley, Sipes, Stamps, Tindell, Tullios, Turner (Shelby), Venable, Walley, West, Williams (Shelby), Windle, Winningham -- 53.

Representatives voting no were: Armstrong, Bittle, Bragg, Byrd, Chiles, Chumney, Collier, Curlee, Davis (Cocke), DeBerry, Duer, Ferguson, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Hill, Hillis, Jackson, Johnson, Joyce, King, Kisber, Liles, Love, Moore, Napier, Phillips, Pruitt, Purcell, Rhinehart, Robinson (Hamilton), Robinson (Washington), Severance, Turner (Hamilton), Whitson, Williams (Union), Wix, Wood -- 42.

Representatives present and not voting were: Jones U (Shelby), McKee, Mr. Speaker Naifeh -- 3.

REQUEST TO CHANGE VOTE

MR. SPEAKER: Pursuant to Rule No. 31, I wish to express a desire to change my original stand from aye to no on the motion to table Amendment No. 27 and have this statement entered in the Journal.

Rep. Maria Peroulas Draper

REGULAR CALENDAR, CONTINUED

RECESS MOTION

Rep. Bivens moved to recess for 10 minutes, which motion prevailed.

RECESS EXPIRED

The recess having expired, the Speaker called the House to order. On motion of Rep. Purcell, the roll call was dispensed with.

REGULAR CALENDAR, CONTINUED

Rep. Shirley moved to amend as follows:

Amendment No. 28

Amend Senate Bill No. 777 by adding the following new section immediately preceding the last section and by renumbering the subsequent section accordingly:

Section \_\_\_\_\_. Tennessee Code Annotated, Title 67, Chapter 6, is amended by deleting Part 3 in its entirety.

Rep. Purcell moved that Amendment No. 28 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	71
Noes. . . . .	26

Representatives voting aye were: Allen, Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Chumney, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), Duer, Ferguson, Fowlkes, Givens, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Herron, Hill, Hillis, Holt, Hubbard, Jackson, Joyce, Kent, Kisber, Knight, Liles, Love, McAfee, McDaniel, Meyer, Moore, Napier, Niceley, Odom, Peroulas Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Stamps, Tullos, Turner (Hamilton), Walley, Whitson, Williams (Shelby), Windle, Winningham, Mr. Speaker Naifeh -- 71.

Representatives voting no were: Anderson, Callicott, DeBerry, Dixon, Garrett, Gunnels, Head, Holcomb, Huskey, Johnson, Jones R (Shelby), Jones U (Shelby), Kernell, King, McKee, Pruitt, Severance, Shirley, Sipes, Tindell, Turner (Shelby), Venable, West, Williams (Union), Wix, Wood -- 26.

Rep. Holcomb moved to amend as follows:

Amendment No. 29

AMEND Senate Bill No. 777 by adding the following as a new section immediately proceeding the severability clause by renumbering subsequent sections accordingly:

SECTION \_\_\_\_\_. Notwithstanding the provisions of this act or any other law to the contrary, the sales tax levied on food not sold for immediate consumption shall be reduced by the same percentage that the provisions of this act increase the general sales tax rate.

Rep. Davis (Cocke) moved that Amendment No. 29 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	52
Noes. . . . .	43
Present and not voting. . . . .	1

Representatives voting aye were: Allen, Anderson, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Clark, Coffey, Collier, Copeland, Crain, Cross, Curlee, Davis (Cocke), Davis (Gibson), Duer, Fowlkes, Garrett, Givens, Haley, Haun, Hillis, Holt, Huskey, Johnson, Kent, Knight, Love, McAfee, McKee, Moore, Napier, Niceley, Odom, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Turner (Hamilton), Walley, Whitson, Winningham, Wix, Mr. Speaker Naifeh -- 52.

Representatives voting no were: Armstrong, Arriola, Callicott, Chumney, Davidson, Davis (Knox), DeBerry, Dixon, Ferguson, Gunnels, Halteman, Hargrove, Harrill, Hassell, Head, Hill, Holcomb, Hubbard, Jones R (Shelby), Jones U (Shelby), Joyce, Kernell, King, Kisber, Liles, McDaniel, Meyer, Nuber, Peroulas, Pruitt, Severance, Shirley, Sipes, Stamps, Tindell, Tullos, Turner (Shelby), Venable, West, Williams (Shelby), Williams (Union), Windle, Wood -- 43.

Representatives present and not voting were: Jackson -- 1.

After discussion, Rep. Allen moved that Amendment No. 30 be withdrawn, which motion prevailed.

Rep. Crain moved to amend as follows:

#### Amendment No. 31

AMEND Senate Bill No. 777 by adding the following new section to be appropriately designated:

SECTION \_\_\_\_\_. Notwithstanding any provision of this act to the contrary, a person who resides outside of Tennessee but who is certified or licensed in this state to engage in a vocation, profession, business or occupation subject to tax by this act, shall not be subject to the tax imposed upon the privilege of engaging in such vocation, profession, business or occupation.

Rep. Davis (Cocke) moved that Amendment No. 31 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	69
Noes. . . . .	22

Representatives voting aye were: Anderson, Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Byrd, Callicott, Chumney, Coffey, Cole, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, Dixon, Duer, Ferguson, Fowlkes,

Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Hassell, Haun, Head, Herron, Hill, Hillis, Holt, Huskey, Johnson, Jones U (Shelby), Kent, Kisber, Knight, Liles, McAfee, McKee, Meyer, Odom, Peroulas Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Hamilton), Robinson (Washington), Shirley, Stamps, Tindell, Turner (Hamilton), Venable, West, Williams (Shelby), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 69.

Representatives voting no were: Allen, Clark, Collier, Crain, Harrill, Holcomb, Hubbard, Jackson, Jones R (Shelby), Kernell, King, McDaniel, Moore, Napier, Niceley, Nuber, Severance, Sipes, Turner (Shelby), Walley, Whitson, Williams (Union) -- 22.

### Amendment No. 25 Division II

Further consideration of Amendment No. 25 on the motion to adopt Division II, Rep. Collier moved to withdraw, which motion prevailed.

Rep. U. Jones requested that Amendment No. 32 be moved to the heel of the Amendments.

Rep. Crain moved to amend as follows:

### Amendment No. 33

Amend Senate Bill No. 777 by adding the following new section immediately preceding the severability section and by renumbering the subsequent section accordingly;

Section \_\_\_\_\_. The privilege tax levied by the provisions of this act upon the privilege of engaging in certain occupations requiring registration or a license shall not apply to a person so registered or licensed, if the person is inactive or retired pursuant to the regulations of the appropriate licensing board.

On motion, Amendment No. 33 was adopted by the following vote:

Ayes. . . . .	92
Noes. . . . .	0
Present and not voting. . . . .	1

Representatives voting aye were: Allen, Anderson, Armstrong, Arriola, Bell, Bittle, Bragg, Buck, Byrd, Chumney, Clark, Coffey, Cole, Collier, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, Dixon, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Herron, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Johnson, Jones R (Shelby), Joyce, Kent, Kernell, King, Kisber, Knight, Liles, Love, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Niceley, Nuber, Odom, Peroulas Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Hamilton),

Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Tullos, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 92.

Representatives present and not voting were: Jones U (Shelby)  
-- 1.

Rep. Armstrong moved to amend as follows:

**Amendment No. 34**

Amend Senate Bill No. 777 by deleting all the language following the enacting clause and by substituting instead the following:

Section 1. Tennessee Code Annotated, Title 67, Chapter 2, is amended by deleting the language thereof in its entirety and substituting instead Sections 2 through 13 of this act.

Section 2. As used in this chapter:

(a) "Another state" means another state, the District of Columbia, or a territory or possession of the United States.

(b) "Commissioner" means the commissioner of revenue.

(c) "Department" means the department of revenue.

(d) "Resident individual" means a natural person who is domiciled in this state, and a natural person who maintains a permanent place of abode within this state and who spends in the aggregate more than six (6) months of the taxable year within this state. A "nonresident individual" means an individual other than a resident individual.

(e) Any term used in this chapter shall have the same meaning as when used in a comparable context in the federal "Internal Revenue Code of 1986", as amended. Any reference in this chapter to the "Internal Revenue Code" means the provisions of the "Internal Revenue Code of 1986", and amendments thereto, and other provisions of the laws of the United States relating to federal income taxes, as the same may be or become effective at any time or from time to time, for the taxable year.

Section 3. A tax of six percent (6%) is hereby imposed on the federal adjusted gross income of every individual, subject to the following adjustments:



(a) There shall be subtracted from the federal adjusted gross income any interest income on obligations of the United States and its possessions to the extent included in the federal adjusted gross income.

(b) There shall be allowed an exemption of fifty thousand dollars (\$50,000) for each tax return filed without regard to the filing status of the individual.

(1) The deduction shall be prorated in the case of nonresident individuals with income from sources both inside and outside Tennessee and individuals who are not residents for a portion of the tax year as provided by rule.

Section 4. If the federal adjusted gross income of a husband or wife, or both, is determined on separate federal returns, such income for purposes of the Tennessee income tax shall be separately determined. If the federal adjusted gross income of a husband and wife is determined on a joint federal return, their tax shall be determined on their joint federal adjusted gross income.

#### Section 5.

(a) For purposes of ascertaining the income tax due by a resident individual whose adjusted gross income includes income derived from sources in another state, the tax shall first be computed as if all of the income of the resident were derived from sources within Tennessee. A credit shall then be given on the tax as so computed, for the amount of income tax actually accrued to another state on account of income from sources within that state. This credit shall be subject to the following limitations:

(1) The credit shall not exceed the tax which would be due on the income from sources in another state, if added to the income subject to Tennessee tax, and calculated at the Tennessee income tax rate.

(2) The credit shall not include interest and penalties paid to another state.

(b) If accrued taxes when paid differ from the amounts claimed as credits by the taxpayer or if any tax paid is refunded in whole or in part, the taxpayer shall notify the commissioner who shall redetermine the amount of tax due for the years affected. In the case of such a tax accrued but not paid, the commissioner, as a condition precedent to the allowance of a credit, may require the taxpayer to deposit a surety bond or other security acceptable to

the commissioner in such amount as he may require, conditioned upon the payment by the taxpayer of any amount of tax found to be due upon any such redetermination.

(c) The credits provided for in this section, irrespective of the method of accounting employed by the taxpayer in keeping his books, shall be taken in the year in which the taxes of another state accrue, subject to the conditions prescribed in this section.

(d) The credits provided by this section shall be allowed only if the taxpayer furnishes to the commissioner all information necessary for the verification and computation of such credits as the commissioner may require.

#### Section 6.

(a) In the case of a nonresident individual, the tax imposed shall be on the Tennessee nonresident federal adjusted gross income.

(b) Tennessee nonresident federal adjusted gross income means that part of the individual's federal adjusted gross income as determined pursuant to Section 62 of the Internal Revenue Code derived from sources within Tennessee. Federal adjusted gross income of an individual shall be considered derived from sources within Tennessee when such income is attributable to:

(1) The ownership of any interest in real or tangible personal property in Tennessee;

(2) A business, trade, profession, or occupation carried on in Tennessee;

(3) His distributive share of partnership or limited liability company income, gain, loss, and deduction to the extent such income is derived from sources within Tennessee;

(4) His share of estate or trust income, gain, loss, and deduction to the extent such income is derived from sources in Tennessee;

(5) Income from intangible personal property, including annuities, dividends, interest, and gains from the disposition of intangible personal property to the extent that such income is from property employed in a business, trade, profession, or occupation carried on in Tennessee.

(c) If the federal adjusted gross income of a husband or wife, or both, both of whom are nonresidents, is determined on separate federal returns, their Tennessee adjusted gross incomes shall be separately determined. If the federal adjusted gross income of a husband and wife, both of whom are nonresidents, is determined on a joint federal return, their tax shall be determined on their joint Tennessee nonresident federal adjusted gross income.

Section 7.

(a) In the case of an individual who is a resident of Tennessee for part of his taxable year, the tax shall be apportioned in the ratio of that part of his federal adjusted gross income which relates to the period of the year he was a Tennessee resident to his total federal adjusted gross income, both reduced by interest income from federal obligations.

(b) A taxpayer filing a part-year resident return shall also file as a nonresident for the remaining portion of his federal taxable year in the event the taxpayer has income within such remaining portion derived from sources within Tennessee.

Section 8.

(a) The taxpayer's taxable year under this chapter shall be the same as his taxable year for federal income tax purposes. If a taxpayer's taxable year is changed for federal income tax purposes, his taxable year for purposes of this chapter shall be similarly changed.

(b) The taxpayer's method of accounting under this chapter shall be the same as his method of accounting for federal income tax purposes. If a taxpayer's method of accounting is changed for federal income tax purposes, his method of accounting for purposes of this chapter shall be similarly changed.

Section 9.

(a) Every employer making payment of wages shall deduct and withhold from each wage payment of his employee six percent (6%) of the wages paid in excess of the deduction allowed by Section 3(b) of this act in order to approximate the income tax due to the state of Tennessee by the employee.

(b) Every employer, irrespective of whether or not said employer deducted and withholds the amounts as provided in this section, shall be liable for the amounts required to be deducted and withheld unless,

in the case of any failure to deduct and withhold such amounts, it is shown that such failure was due to reasonable cause and not due to willful neglect. If the employer in violation of the provisions of this section, fails to deduct and withhold the amounts as provided in this section and thereafter the tax against which such deducted and withheld amounts would have been credited is paid, the amounts so required by this section to be deducted and withheld shall not be collected from the employer; but in no such case, unless due to reasonable cause, shall the employer be relieved from liability for any penalties or additions to the amounts required under this section to be deducted and withheld otherwise applicable to any such failure to deduct and withhold.

(c) Every employer subject to the provisions of this section shall file a return, in such form as shall be determined by the department of revenue, and remit the amount withheld in accordance with the time schedule established for the remittance of withholding tax by the Internal Revenue Code, as amended, and any regulations thereto. Failure to remit the amount withheld timely shall subject the employer to those penalties and interest applicable under Tennessee Code Annotated, Sections 67-1-801 and 67-1-804.

(d) All amounts deducted and withheld shall be considered as tax collected under the provisions of this section, and no employee shall have any right of action against his employer in respect to any monies so deducted and withheld from his wages and paid over to the department in compliance or intended compliance with this section.

(e) Every employer shall, in accordance with such regulations as shall be prescribed by the department of revenue, provide each employee with a statement of the amount of monies deducted and withheld from such employee's wages in accordance with the provisions of this section. Every employer shall also make an annual statement for each employee to the department of revenue, on such forms as are provided or approved by the department, a copy of which shall be provided each employee, summarizing the total compensation paid and the tax withheld for such employee during the preceding calendar year or any portion thereof, and the said annual statement shall be filed on or before January 31 of the year following that for which the report is made. Failure to file a statement for an employee within the time prescribed therefor, unless shown to have been due to reasonable cause or the willful filing or furnishing of false or fraudulent statements shall subject the employer to a penalty, at the discretion of the commissioner of not less than

fifty dollars (\$50.00) nor more than two hundred fifty dollars (\$250.00), which shall be in addition to any other applicable civil or criminal penalties.

(f) Every employer who deducts and withholds any amounts under the provisions of this section shall hold the same in trust for the state of Tennessee for the payment thereof to the department in the manner and at the time provided for in this section, and the state of Tennessee and the department shall have a lien to secure the payment of any amounts withheld and not remitted as provided in this section upon all of the assets of the employer and all property, including stock in trade, business fixtures, and equipment, owned or used by the employer in the conduct of his business, so long as any delinquency continues, which lien shall be prior to any lien of any kind whatsoever, including existing liens for taxes.

(g) The commissioner may establish by rule periodic filing and payment dates in those instances where he deems it to be in the best interests of the state to do so.

(h) Every employer required to withhold wages under this section shall register with the department on or after July 1, 1992, in such manner as the department may require. Any employer who fails to register for withholding by October 1, 1992, shall be subject to a penalty to be determined by the commissioner, not to exceed \$1,000. Any employer who becomes subject to this act after September 1, 1991, shall register within thirty (30) days of the date upon which it became an employer within the meaning of this act, and shall be subject to the aforesaid penalty for failure to timely register.

(i) Liability for taxes or withholding under this act may be challenged only upon compliance with the provisions of Tennessee Code Annotated, Section 67-1-1801 or Section 67-1-1802; except that, prior to January 1, 1993, any employer required to register for withholding or any taxpayer may challenge the constitutionality or validity of this act by instituting an action for declaratory relief. Such action must be brought in the Chancery Court of Davidson County. Such action shall be granted priority and be expedited by the court.

Section 10. Whenever a resident individual or a nonresident individual with income from Tennessee sources is required to file a federal income tax return under the provisions of Section 6012 of the Internal Revenue Code, and has adjusted gross income in excess of the deduction provided in Section 3(b) of this act, he shall also be

required to file a Tennessee income tax return as follows:

(a) An annual return shall be filed with the commissioner of revenue on or before the fifteenth day of the fourth month following the close of the individual's taxable year.

(b) The appropriate tax must be paid to the department of revenue at the time of filing the return by the individual after credit is provided for any estimated payments which may have been made.

(c) Estimated tax payments shall be made as follows:

(1) Every individual required to file a Tennessee income tax return who can reasonably be expected to have gross income in excess of ten thousand dollars (\$10,000) from sources other than wages for his taxable year shall file on or before the fifteenth day of the fourth month of his taxable year a declaration of estimated income tax in Tennessee on income other than wages subject to withholding.

(A) The declaration of estimated tax shall be the lesser of:

(i) Ninety percent (90%) of the tax shown on the return for the taxable year (or, if no return is filed, ninety percent (90%) of the declaration of estimated tax), or

(ii) One hundred percent (100%) of the tax shown on the individual's tax return for the preceding tax year.

(iii) Subitem (ii) shall not apply if the individual was not a resident of Tennessee for the preceding twelve (12) months or if the individual did not file a tax return for the preceding year;

(B) Based upon this declaration, the individual shall make four (4) equal quarterly tax payments for his taxable year;

(C) The first payment shall be due on the fifteenth day of the fourth month of his taxable year; the second payment on the fifteenth day of the seventh month; the third payment on the fifteenth day of the tenth month; and the final payment on the

fifteenth day of the first month of the subsequent taxable year; and

(D) With its annual return filed with the commissioner, the individual shall either make payment of additional tax due according to that return or shall file for a refund based on an overpayment of tax and shall be paid accordingly by the department;

(2) If there is an underpayment of estimated tax, then there shall be added to the tax for the taxable year an amount determined by multiplying the amount of the underpayment by the rate of interest determined in accordance with Tennessee Code Annotated, Section 67-1-801(a)(1)(A), for the period of the underpayment.

(A) The amount of the underpayment shall be the excess of the required installment over the amount, if any, of the installment paid on or before the due date for the installment.

(B) The period of underpayment shall extend from the date the installment was required to be paid to the earlier of:

(i) The fifteenth day of the fourth month following the close of the taxable year; or

(ii) With respect to all or any portion of the underpayment, the date on which all or any portion of the underpayment is paid;

(C) A payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment payable for that date;

(3) Amended or revised declarations may be made in any case in which the individual estimates that his gross income, deductions, or credits will materially change the estimated tax reported in the previous declaration. If any amendment of a declaration is filed, the remaining installments, if any, shall be ratably increased or decreased, as the case may be, to reflect such increase or decrease in the estimated tax by reason of such amendment.

(4) If the federal adjusted gross income of

a husband and wife is determined on a joint federal return, a husband and wife may make a joint declaration of estimated tax as if they were one taxpayer, in which case the liability with respect to the estimated tax shall be joint and several. If a joint declaration is made but their taxes are determined under this chapter separately, the estimated tax for such year may be treated as the estimated tax of either husband or wife, or may be divided between them as they may elect.

Section 11. Any request for an extension of time up to but not exceeding nine (9) months in which to file the individual's tax return will be granted automatically provided the appropriate payment of tax is made on or before the statutory due date of the return and such payment is made on the form prescribed by the department or a reasonable facsimile thereof. The appropriate payment will be an amount equal to the prior year's total liability unless a statement is furnished as to the reason the prior year's total liability is not a true indication of present liability or there was no liability for the preceding year. If there was no liability for the preceding year, the total payment must equal at least ninety percent (90%) of the final liability. In the case of tax rate changes which have occurred since the prior year's liability was computed, the computation of the appropriate payment based on the prior year's liability will be the prior year's tax measure times the tax rate in effect for the fiscal year for which the report is filed. If the total payment does not equal the prior year's liability as modified by any authorized change or does not equal ninety percent (90%) of the final liability, penalty shall be applicable to the total deficient amount of taxes. Any payment of Tennessee estimated income tax made for the tax year or any other credits should be considered in determining the amount to be paid. The deficient amount of taxes shall bear interest at the rate prescribed by law.

#### Section 12.

(a) The commissioner is authorized, with the approval of the comptroller and the governor or his delegate, to enter into an agreement with the secretary of the treasury of the United States or his delegate, under which, to the extent provided by the terms of the agreement, the secretary or his delegate will assist in the overall administration of the tax. The cost of the services performed by the secretary or his delegate in such activities under the terms of an agreement may be paid from the appropriations for the general operations of the department of revenue.

(b) The commissioner is authorized, with the



approval of the comptroller and the governor or his delegate, to enter into an agreement with the secretary of the treasury of the United States or his delegate under which, to the extent provided by the terms of the agreement, the commissioner will undertake to conduct on behalf of the United States any tax administration functions in respect to the federal income tax on individuals. Such agreement shall make provision for the payment by the United States of costs of the services performed on its behalf.

Section 13. Taxes collected pursuant to this chapter shall be deposited in the state general fund.

Section 14. This act shall take effect on July 1, 1992 and shall apply to income received, accrued or credited to the taxpayer after December 30, 1991; except that Section 9, Subsections (a) through (f), and Section 10, Subsection (c) shall take effect on January 1, 1993, the public welfare requiring it.

Rep. Rhinehart moved that Amendment No. 34 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	79
Noes. . . . .	13

Representatives voting aye were: Allen, Anderson, Arriola, Bell, Bittle, Bivens, Buck, Byrd, Callicott, Chumney, Clark, Coffey, Cole, Collier, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), Duer, Fowlkes, Garrett, Givens, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Johnson, Joyce, Kent, Kisber, Knight, Liles, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Nuber, Odom, Peroulas, Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Tullos, Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Winningham, Wix, Wood, Mr. Speaker Naifeh -- 79.

Representatives voting no were: Armstrong, Bragg, Dixon, Ferguson, Head, Jones R (Shelby), Jones U (Shelby), Kernell, King, Niceley, Pruitt, Turner (Shelby), Windle -- 13.

Rep. Kisber moved to amend as follows:

#### Amendment No. 35

AMEND Senate Bill No. 777 by deleting from Sections 1, 2, 3, 4, and 5 the words, figure and symbols "six percent (6%)" and by substituting instead the words, figure and symbols "eight percent (8%)".

AND FURTHER AMEND by adding the following language as new sections immediately preceding the effective date section and by renumbering the subsequent section accordingly:

Section \_\_\_\_.(a) Notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-702, or any other law to the contrary, during the period of effectiveness of the state sales tax rate of eight percent (8%) no local option sales tax shall be assessed or collected; however, during such period the state shall pay each county and incorporated city or town an amount annually equal to the local option sales tax assessed and collected by such county or incorporated city or town during the twelve (12) month period preceding April 1, 1992; provided further, however, during the period of effectiveness of the state sales tax rate at eight percent (8%), by resolution or ordinance adopted by a two-thirds (2/3) vote of its legislative body, each county and incorporated city or town may assess and collect a special, temporary local option sales tax of not more than one-fourth of one percent (.25%).

(b) Notwithstanding the provisions of subsection (a) the state rate of tax for a motor vehicle is six percent (6%). During the period of effectiveness of this act, the local option provision of subsection (a) shall also be applicable to motor vehicle sales.

Section \_\_\_\_ Tennessee Code Annotated, Section 67-6-206(b)(1), is amended by deleting the language "one and one-half percent (1 1/2%)" and by substituting instead the language "two and one-half percent (2 1/2%)".

AND FURTHER AMEND by deleting any section of the bill except as amended by this amendment which prohibits an increase in the local option sales tax.

Rep. Rhinehart moved that Amendment No. 35 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	58
Noes. . . . .	34
Present and not voting. . . . .	1

Representatives voting aye were: Allen, Anderson, Armstrong, Arriola, Bell, Bittle, Buck, Byrd, Chumney, Clark, Coffey, Collier, Copeland, Crain, Cross, Curlee, Davis (Cocke), Davis (Gibson), Davis (Knox), Ferguson, Garrett, Givens, Gunnels, Haley, Hargrove, Harrill, Haun, Hill, Hillis, Holt, Hubbard, Huskey, Joyce, Knight, Liles, McAfee, Meyer, Odom, Peroulas Draper, Phillips, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Shirley, Tindell, Turner (Hamilton), Turner (Shelby), West, Whitson, Williams (Shelby), Winningham, Wood, Mr. Speaker Naifeh -- 58.

Representatives voting no were: Bivens, Bragg, Callicott, Cole, Davidson, DeBerry, Fowlkes, Halteman, Hassell, Head, Herron, Holcomb, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Kent, Kernell, King, Kisber, McDaniel, McKee, Napier, Niceley, Pinion, Pruitt, Severance, Sipes, Stamps, Venable, Walley, Williams (Union), Windle, Wix -- 34.

Representatives present and not voting were: Moore -- 1.

After discussion, Rep. Head moved that **Amendment No. 36** be withdrawn, which motion prevailed.

After discussion, Rep. Herron moved that **Amendment No. 37** be withdrawn, which motion prevailed.

Rep. Herron moved that **Amendment No. 38** be withdrawn, which motion prevailed.

Rep. Herron moved that **Amendment No. 39** be withdrawn, which motion prevailed.

Rep. R. Jones moved to amend as follows:

**Amendment No. 40**

AMEND Senate Bill No. 777 by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 67, is amended by adding Sections 2 through 13 as a new chapter.

SECTION 2. This chapter shall be known as the "Income Tax Law of 1992".

SECTION 3. As used in this chapter:

(a) "Another state" means another state, the District of Columbia, or a territory or possession of the United States.

(b) "Commissioner" means the commissioner of revenue.

(c) "Department" means the department of revenue.

(d) "Employee" means and includes every individual who is a resident or domiciled in the state of Tennessee performing services for an employer, either within or without or both within and without the state of Tennessee, or any individual performing services within the state of Tennessee, the performance of which services constitutes, establishes, and determines the relationship between the parties as that of employer and employee, and includes officers of corporations and individuals, including elected officials, performing services for the United States government or any agency or instrumentality thereof or the

state of Tennessee or any county, city or municipality, or political subdivision thereof.

(e) "Employer" means a natural person, partnership, joint-stock company, business trust, corporation, or other form of organization, whether domestic or foreign, transacting business in or deriving income from sources within the State of Tennessee for whom an individual performs or performed any services, of whatever nature, who has control of the payment of wages for such services or is the officer, agent, or employee of the person having control of the payment of wages; or the State of Tennessee, or any department, political subdivision, county, or municipality thereof or any other governmental entity, which has in its employ one or more individuals performing services for it.

(f) "Resident individual" means a natural person who is domiciled in this state and a natural person who maintains a permanent place of abode within this state and who spends in the aggregate more than six months of the taxable year within this state. A "nonresident individual" means an individual other than a resident individual.

(g) "Wages" means any remuneration for services performed by an employee for an employer, including the cash value of all such remuneration paid in any medium or form other than cash.

(h) Any term used in this part shall have the same meaning as when used in a comparable context in the federal "Internal Revenue Code of 1986", as amended. Any reference in this part to the "internal revenue code" means the provisions of the "Internal Revenue Code of 1986", and amendments thereto, and other provisions of the laws of the United States relating to federal income taxes, as the same may be or become effective at any time or from time to time, for the taxable year.

SECTION 4. A tax of four percent (4%) is hereby imposed on the federal adjusted gross income of every individual, subject to the following adjustments:

(a) There shall be subtracted from the federal adjusted gross income any interest income on obligations of the United States and its possessions to the extent included in the federal adjusted gross income.

(b) There shall be allowed a personal exemption for every individual of two thousand dollars (\$2,000). Taxpayers filing singly shall be allowed one (1) personal exemption. Taxpayers filing jointly shall be allowed two (2) personal exemptions. Taxpayers, whether filing singly or jointly, shall be allowed additional personal exemptions for each dependent claimed. Dependents filing a separate

return as required by federal law shall not be entitled to an exemption.

SECTION 5. If the federal adjusted gross income of a husband or wife, or both, is determined on separate federal returns, such income for purposes of the Tennessee income tax shall be separately determined. If the federal adjusted gross income of a husband and wife is determined on a joint federal return, their tax shall be determined on their joint federal adjusted gross income.

SECTION 6.

(a) For purposes of ascertaining the income tax due by a resident individual whose adjusted gross income includes income derived from sources in another state, the tax shall first be computed as if all of the income of the resident were derived from sources within Tennessee. A credit shall then be given on the tax as so computed, for the amount of income tax actually accrued to another state on account of income from sources within the state. This credit shall be subject to the following limitations:

(1) The credit shall not exceed the tax which would be due on the income from sources in another state, if added to the income subject to Tennessee tax, and calculated at the Tennessee income tax rate.

(2) The credit shall not include interest and penalties paid to another state.

(b) If accrued taxes when paid differ from the amounts claimed as credits by the taxpayer or if any tax paid is refunded in whole or in part, the taxpayer shall notify the commissioner who shall redetermine the amount of tax due for the years affected. In the case of such a tax accrued but not paid, the commissioner, as a condition precedent to the allowance of a credit, may require the taxpayer to deposit a surety bond or other security acceptable to the commissioner in such amount as he may require, conditioned upon the payment by the taxpayer of any amount of tax found to be due upon any such redetermination.

(c) The credits provided for in this section, irrespective of the method of accounting employed by the taxpayer in keeping his books, shall be taken in the year in which the taxes of another state accrue, subject to the conditions prescribed in this section.

(d) The credits provided by this section shall be allowed only if the taxpayer furnishes to the commissioner all information necessary for the verification and computation of such credits as the commissioner may require.

SECTION 7.

(a) In the case of a nonresident individual, the tax imposed shall be on the Tennessee nonresident federal adjusted gross income.

(b) Tennessee nonresident federal adjusted gross income means that part of the individual's federal adjusted gross income as determined pursuant to section 62 of the internal revenue code derived from sources within Tennessee. Federal adjusted gross income of an individual shall be considered derived from sources within Tennessee when such income is attributable to:

(1) The ownership of any interest in real or tangible personal property in Tennessee;

(2) A business, trade, profession, or occupation carried on in Tennessee;

(3) His distributive share of partnership or limited liability company income, gain, loss, and deduction to the extent such income is derived from sources within Tennessee;

(4) His share of estate or trust income, gain, loss, and deduction to the extent such income is derived from sources in Tennessee;

(5) Income from intangible personal property, including annuities, dividends, interest, and gains from the disposition of intangible personal property to the extent that such income is from property employed in a business, trade, profession, or occupation carried on in Tennessee.

(c) If the federal adjusted gross income of a husband or wife, or both, both of whom are nonresidents, is determined on separate federal returns, their Tennessee adjusted gross incomes shall be separately determined. If the federal adjusted gross income of a husband and wife, both of whom are nonresidents, is determined on a joint federal return, their tax shall be determined on their joint Tennessee nonresident federal adjusted gross income.

#### SECTION 8.

(a) In the case of an individual who is a resident of Tennessee for part of his taxable year, the tax shall be apportioned in the ratio of that part of his federal adjusted gross income which relates to the period of the year he was a Tennessee resident to his total federal adjusted gross income, both reduced by interest income from federal obligations.

(b) A taxpayer filing a part-year resident return shall also file as a nonresident for the remaining portion of his federal taxable year in the event the taxpayer has

income within such remaining portion derived from sources within Tennessee

SECTION 9.

(a) The taxpayer's taxable year under this part shall be the same as his taxable year for federal income tax purposes. If a taxpayer's taxable year is changed for federal income tax purposes, his taxable year for purposes of this part shall be similarly changed.

(b) The taxpayer's method of accounting under this part shall be the same as his method of accounting for federal income tax purposes. If a taxpayer's method of accounting is changed for federal income tax purposes, his method of accounting for purposes of this part shall be similarly changed.

SECTION 10.

(a) Every employer making payment of wages shall deduct and withhold from each wage payment of his employee four percent (4%) of the wages paid in order to approximate the income tax due to the state of Tennessee by the employee subject to rules promulgated by the Commissioner.

(b) Every employer, irrespective of whether or not said employer deducted and withholds the amounts as provided in this section, shall be liable for the amounts required to be deducted and withheld unless, in the case of any failure to deduct and withhold such amounts, it is shown that such failure was due to reasonable cause and not due to willful neglect. If the employer in violation of the provisions of this section, fails to deduct and withhold the amounts as provided in this section and thereafter the tax against which such deducted and withheld amounts would have been credited is paid, the amounts so required by this section to be deducted and withheld shall not be collected from the employer; but in no such case, unless due to reasonable cause, shall the employer be relieved from liability for any penalties or additions to the amounts required under this section to be deducted and withheld otherwise applicable to any such failure to deduct and withhold.

(c) Every employer subject to the provisions of this section shall file a return, in such form as shall be determined by the department of revenue, and remit the amount withheld in accordance with the time schedule established for the remittance of withholding tax by the Internal Revenue Code, as amended, and any regulations thereto. Failure to remit the amount withheld timely shall subject the employer to those penalties and interest applicable under T.C.A. Section 67-1-801 and 67-1-804.

(d) Every employer subject to the provisions of this section who operated his business on a seasonal basis shall file a return and remit the tax withheld on or before the fifteenth day of the following month for each month during which the business is operated. The employer shall state the months during which he expects to operate the business and shall notify the department of revenue of any changes in the months of operation.

(e) All amounts deducted and withheld shall be considered as tax collected under the provisions of this section and no employee shall have any right of action against his employer in respect to any moneys so deducted and withheld from his wages and paid over to the department in compliance or intended compliance with this section.

(f) Every employer shall, in accordance with such regulation as shall be prescribed by the department of revenue, provide each employee with a statement of the amounts of moneys deducted and withheld from such employee's wages in accordance with the provisions of this section. Every employer shall also make an annual statement for each employee to the department of revenue, on such forms as are provided or approved by the department, a copy of which shall be provided each employee, summarizing the total compensation paid and the tax withheld for such employee during the preceding calendar year or any portion thereof, and the said annual statement shall be filed on or before March 15 of the year following that for which the report is made. Failure to file the statements within the time prescribed therefor, unless shown to have been due to reasonable cause or the willful filing or furnishing of false or fraudulent statements shall subject the employer to a penalty, at the discretion of the commissioner of not less than fifty dollars (\$50.00) nor more than two hundred fifty dollars (\$250.00), which shall be in addition to any criminal penalty otherwise provided for failure to file a return or for filing a false or fraudulent return.

(g) Every employer who deducts and withholds any amounts under the provisions of this section shall hold the same in trust for the state of Tennessee for the payment thereof to the department in the manner and at the time provided for in this section, and the state of Tennessee and the department shall have a lien to secure the payment of any amounts withheld and not remitted as provided in this section upon all of the assets of the employer and all property, including stock in trade, business fixtures, and equipment, owned or used by the employer in the conduct of his business, so long as any delinquency continues, which lien shall be prior to any lien of any kind whatsoever, including existing liens for taxes.

(h) The commissioner may establish by rule periodic



filing and payment dates in those instances where he deems it to be in the best interests of the state to do so.

(i) Every employer required to withhold wages under this Section shall register with the Department on or after July 1, 1992, in such manner as the Department may require. Any employer who fails to register for withholding by October 1, 1992, shall be subject to a penalty to be determined by the Commissioner, not to exceed \$1,000. Any employer who becomes subject to this act after September 1, 1992, shall register within 30 days of the date upon which it became an employer within the meaning of this act, and shall be subject to the aforesaid penalty for failure to timely register.

(j) Liability for taxes or withholding under this act may be challenged only upon compliance with the provisions of T.C.A. Section 67-1-1801 or Section 67-1-1802; except that, prior to January 1, 1992, any employer required to register for withholding or any taxpayer may challenge the constitutionality or validity of this act by instituting an action for declaratory relief. Such action must be brought in the Chancery Court of Davidson County. Such action shall be granted priority and be expedited by the court.

SECTION 11. Whenever a resident individual or a nonresident individual with income from Tennessee sources is required to file a federal income tax return under the provisions of section 6012 of the internal revenue code, he shall also be required to file a Tennessee income tax return as follows:

(a) An annual return shall be filed with the commissioner of revenue on or before the fifteenth day of the fourth month following the close of the individual's taxable year.

(b) The appropriate tax must be paid to the department of revenue at the time of filing the return by the individual.

(c) Additional payments shall be made as follows:

(1) Every individual which can reasonably be expected to have gross income in excess of twenty thousand dollars (\$20,000) from sources other than wages for his taxable year shall file on or before the fifteenth day of the fourth month of his taxable year a declaration of estimated income tax in Tennessee on income other than wages subject to withholding.

(A) The declaration of estimated tax shall be the lesser of:

(i) Ninety percent (90%) of the tax shown on the return for the taxable year

(or, if no return is filed, ninety percent (90%) of the declaration of estimated tax), or

(ii) One hundred percent (100%) of the tax shown on the individual's tax return for the preceding tax year.

(iii) Subitem (ii) shall not apply if the individual was not a resident of Tennessee for the preceding 12 months or if the individual did not file a tax return for the preceding year;

(B) Based upon this declaration, the individual shall make four (4) equal quarterly tax payments for his taxable year;

(C) The first payment shall be due on the fifteenth day of the fourth month of his taxable year; the second payment on the fifteenth day of the sixth month; the third payment on the fifteenth day of the ninth month; and the final payment on the fifteenth day of the first month of the subsequent taxable year; and

(D) With its annual return filed with the commissioner, the individual shall either make payment of additional tax due according to that return or shall file for a refund based on an overpayment of tax and shall be paid accordingly by the department;

(2) If there is an underpayment of estimated tax, then there shall be added to the tax for the taxable year an amount determined by multiplying the amount of the underpayment by the rate of interest determined in accordance with T.C.A. Section 67-1-801(a)(1)(A) for the period of the underpayment.

(A) The amount of the underpayment shall be the excess of the required installment over the amount, if any, of the installment paid on or before the due date for the installment.

(B) The period of underpayment shall extend from the date the installment was required to be paid to the earlier of:

(i) The fifteenth day of the fourth month following the close of the taxable year; or

(ii) With respect to all or any portion of the underpayment, the date on which all

or any portion of the underpayment is paid;

(C) A payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent such payment exceeds the amount of the installment payable for that date;

(3) Amended or revised declarations may be made in any case in which the individual estimates that its gross income, deductions, or credits will materially change the estimated tax reported in the previous declaration. If any amendment of a declaration is filed, the remaining installments, if any, shall be ratably increased or decreased, as the case may be, to reflect such increase or decrease in the estimated tax by reason of such amendment.

(4) If the federal adjusted gross income of a husband and wife is determined on a joint federal return, a husband and wife may make a joint declaration of estimated tax as if they were one taxpayer, in which case the liability with respect to the estimated tax shall be joint and several. If a joint declaration is made but their taxes are determined under this chapter separately, the estimated tax for such year may be treated as the estimated tax of either husband or wife, or may be divided between them as they may elect.

SECTION 12. Any request for an extension of time up to but not exceeding nine (9) months in which to file the individual's tax return will be granted automatically provided the appropriate payment of tax is made on or before the statutory due date of the return and such payment is made on the form prescribed by the department or reasonable facsimile thereof. The appropriate payment will be an amount equal to the prior year's total liability unless a statement is furnished as to the reason the prior year's total liability is not a true indication of present liability or there was no liability for the preceding year. If there was no liability for the preceding year, the total payment must equal at least 90 percent of the final liability. In the case of tax rate changes which have occurred since the prior year's liability was computed, the computation of the appropriate payment based on the prior year's liability will be the prior year's tax measure times the tax rate in effect for the fiscal year for which the report is filed. If the total payment does not equal the prior year's liability as modified by any authorized change or does not equal 90 percent of the final liability, penalty shall be applicable to the total deficient amount of taxes.

Any payment of Tennessee estimated income tax made for the tax year or any other credits should be considered in determining the amount to be paid. The deficient amount of

taxes shall bear interest at the rate prescribed by law.

SECTION 13.

(a) The commissioner is authorized, with the approval of the comptroller and the governor or his delegate, to enter into an agreement with the secretary of the treasury of the United States or his delegate, under which, to the extent provided by the terms of the agreement, the secretary or his delegate will assist in the overall administration of the tax. The cost of the services performed by the secretary or his delegate in such activities under the terms of an agreement may be paid from the appropriations for the general operations of the Department of Revenue.

(b) The commissioner is authorized, with the approval of the comptroller and the governor or his delegate, to enter into an agreement with the secretary of the treasury of the United States or his delegate under which, to the extent provided by the terms of the agreement, the commissioner will undertake to conduct on behalf of the United States any tax administration functions in respect to the federal income tax on individuals. Such agreement shall make provision for the payment by the United States of costs of the services performed on its behalf.

SECTION 14. Tennessee Code Annotated, Section 67-6-202, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "five percent (5%)".

SECTION 15. Tennessee Code Annotated, Section 67-6-203, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "five percent (5%)".

SECTION 16. Tennessee Code Annotated, Section 67-6-204, is amended by deleting the words and number "five and one-half percent (5.5%)" wherever they appear therein and substituting instead the words and number "five percent (5%)".

SECTION 17. Tennessee Code Annotated, Section 67-6-205, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "five percent (5%)".

SECTION 18. Tennessee Code Annotated, Section 67-6-221, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "five percent (5%)".

SECTION 19. Tennessee Code Annotated, Title 67, Chapter 6, is amended by deleting Part 7 in its entirety.

SECTION 20. Tennessee Code Annotated, Section 67-6-103, is amended by deleting the section in its entirety and by substituting instead the following:

(a) The revenue derived from the total sales tax collection pursuant to this chapter shall be allocated as follows:

(1) fifty-five percent (55%) to the state general fund; and

(2) forty-five percent (45%) to local governments.

(b) The commissioner of finance and administration and the commissioner of revenue, with the advice and consent of the comptroller of the treasury and the state treasurer shall establish a formula for the distribution of revenue to local governments as provided in subsection (a) which will:

(1) allocate a sum sufficient of such revenue each fiscal year to each local government in an amount equal to the revenue such local government received in fiscal year 1992-1993 from the tax levied pursuant to Tennessee Code Annotated, Title 67, Chapter 2; and

(2) allocate the remaining revenue each fiscal year to each local government in the same proportion that such local government received revenue pursuant to the provisions of Tennessee Code Annotated, Title 67-6-103, and Tennessee Code Annotated, Title 67, Chapter 7, in fiscal year 1992-1993.

SECTION 21. Tennessee Code Annotated, Section 67-4-904, is amended by substituting the following language for subsection (a):

(a) The privilege tax hereby imposed shall be a tax of twenty cents (20 cents) on the one hundred dollars (\$100), or major fraction thereof, of the issued and outstanding stock, surplus and undivided profits of each such corporation as shown by the books and records of such corporation at the close of its last fiscal year preceding the making of the sworn report hereinafter required.

SECTION 22. Tennessee Code Annotated, Title 67, is amended by deleting Chapter 2 in its entirety.

SECTION 23. Notwithstanding any provision of law to the contrary, any bill which increases the rate of the sales and use tax shall contain no other subject matter and shall set forth the new rate of tax in the caption of such bill.

SECTION 24. If Section 4 of this act or the application thereof to any person or circumstance is held invalid, then all

the provisions and applications of this act are declared to be invalid and void. If any other provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 25. For purposes of adoption of rules, this act shall take effect upon becoming a law, the public welfare requiring it. For purposes of employer registration, pursuant to Section 10, this act shall take effect on July 1, 1992, the public welfare requiring it. Sections 1 through 13 of this act shall take effect on January 1, 1993. Sections 14 through 24 of this act shall take effect on July 1, 1993.

Rep. Purcell moved that Amendment No. 40 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	78
Noes. . . . .	13

Representatives voting aye were: Allen, Anderson, Arriola, Bell, Bittle, Bivens, Buck, Byrd, Callicott, Clark, Coffey, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Knox), Duer, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Herron, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Johnson, Joyce, Kent, Kisber, Knight, Liles, McAfee, McDaniel, McKee, Meyer, Napier, Niceley, Odom, Peroulas Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Turner (Hamilton), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Mr. Speaker Naifeh -- 78.

Representatives voting no were: Armstrong, Bragg, Chumney, DeBerry, Dixon, Head, Jones R (Shelby), Jones U (Shelby), Kernell, King, Love, Pruitt, Turner (Shelby) -- 13.

Rep. R. Jones moved that Amendment No. 41 be withdrawn, which motion prevailed.

Rep. Head moved to amend as follows:

#### Amendment No. 44

AMEND Senate Bill No. 777 by adding the following new section immediately preceding the severability clause section and by renumbering the subsequent sections accordingly:

SECTION \_\_\_\_\_. Tennessee Code Annotated, Section 67-6-303, is amended by deleting the language "nonresident" wherever it may appear.

Tennessee Code Annotated, Section 67-6-303(a), is further amended by deleting the second sentence and by substituting instead the following:

Dealers shall support each such sale by attachment to their file copy of the invoice evidencing it a copy of the official orders relating to stationing of the purchaser.

On motion, Amendment No. 44 was adopted by the following vote:

Ayes. . . . .	80
Noes. . . . .	0
Present and not voting. . . . .	2

Representatives voting aye were: Allen, Anderson, Armstrong, Arriola, Bell, Bittle, Buck, Byrd, Callicott, Chumney, Coffey, Cole, Collier, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, Dixon, Ferguson, Fowlkes, Gunnels, Haley, Halteman, Hargrove, Hassell, Haun, Head, Hill, Hillis, Holcomb, Hubbard, Huskey, Jackson, Johnson, Jones R (Shelby), Joyce, Kent, King, Knight, Liles, Love, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Niceley, Nuber, Odom, Peroulas Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Sipes, Stamps, Tindell, Tullios, Turner (Shelby), Venable, Walley, West, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Mr. Speaker Naifeh -- 80.

Representatives present and not voting were: Herron, Whitson -- 2.

Rep. DeBerry moved to amend as follows:

#### Amendment No. 45

Amend Senate Bill No. 777 by adding the following new sections immediately preceding the severability clause section and by renumbering subsequent sections accordingly:

Section 1. Tennessee Code Annotated, Section 67-6-206(b)(1), is amended by deleting the language "one and one-half percent (1.5%)" and by substituting instead the language "two percent (2%)".

Section 2. Tennessee Code Annotated, Section 67-6-102, is amended by adding the following language as a new, appropriately designated subsection:

( ) "Commercial lease" means a lease for the renting, leasing or letting of real property for business, commercial, industrial or professional use;

Section 3. Tennessee Code Annotated, Section

67-6-102, is amended by adding the following language at the end of subsection (14):

"Lease or rental" also means the leasing or renting under a commercial lease of real property, and the possession or use thereof by the lessee or renter for a consideration, without transfer of the title to such property;

Section 4. Tennessee Code Annotated, Section 67-6-201, is amended by deleting the word "or" at the end of subsection (7), by changing the period at the end of subsection (8) to a comma and adding the word "or", and by adding the following language as a new, appropriately designated subsection:

( ) Rents, leases or lets any real property under a commercial lease for use or occupancy as a commercial, industrial or professional building or office or for any other business purpose.

Section 5. Tennessee Code Annotated, Section 67-6-202, is amended by inserting the language "or of engaging in the business of commercial leasing" between the words and punctuation "in this state," and the words "a tax", and by adding the following language as a new paragraph:

The tax on a commercial lease shall be computed on the total rental charged in money, or the fair market value of goods or services exchanged therefor, payable by the lessee, renter or user of such property. Such amount shall be due and payable when rent due under such lease is collected.

Section 6. Tennessee Code Annotated, Section 67-6-102(6)(E), is amended by inserting the language "or leases or rents real property under a commercial lease" between the words and punctuation "personal property," and the words "as defined".

Section 7. Tennessee Code Annotated, Section 67-6-501(a), is amended by inserting the language "or renting, leasing or letting of any use or interest in real property under a commercial lease," between the words and punctuation "in this state," and the words "or furnishing".

Section 8. Tennessee Code Annotated, Title 67, Chapter 6, Part 2, is amended by adding a new section thereto, as follows:

Section 67-6-2\_\_\_\_. It is declared to be the intention of this chapter to impose a tax on the gross proceeds of all leases and rentals of commercial real property in this state. The tax shall be levied at



the rate of two percent (2%) of the monthly commercial lease or rental price by lessee or renter, or contracted or agreed to be paid by lessee or renter, to the owner of the commercial real property.

Section 9 Tennessee Code Annotated, Section 67-2-119 is amended by deleting the section in its entirety and by substituting instead the following:

All taxes collected from the tax imposed by the provisions of this chapter shall be deposited in the state general fund.

Rep. Davis (Cocke) moved that Amendment No. 45 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	69
Noes. . . . .	19

Representatives voting aye were: Allen, Anderson, Arriola, Bell, Bittle, Bivens, Buck, Byrd, Callicott, Chumney, Clark, Coffey, Cole, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), Ferguson, Fowlkes, Garrett, Givens, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Hill, Hillis, Holt, Hubbard, Huskey, Jackson, Johnson, Kent, Liles, McAfee, Meyer, Moore, Napier, Odom, Peroulas, Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigbsy, Rinks, Robinson (Davidson), Robinson (Washington), Severance, Stamps, Tindell, Tullos, Turner (Hamilton), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 69.

Representatives voting no were: Armstrong, DeBerry, Dixon, Head, Herron, Holcomb, Jones R (Shelby), Jones U (Shelby), Kernell, King, Kisber, Knight, Love, McDaniel, Pruitt, Robinson (Hamilton), Shirley, Sipes, Turner (Shelby) -- 19.

Rep. Hargrove moved that Amendment No. 46 be withdrawn, which motion prevailed.

Rep. DeBerry moved to amend as follows:

#### Amendment No. 47

Amend Senate Bill No. 777 by adding the following new section immediately preceding the severability section and by renumbering the subsequent sections accordingly:

Section \_\_\_\_\_. Notwithstanding any provision of this act to the contrary, no revenues generated from taxes increased or levied by the provisions of this act shall be expended for capital expenditures.

Rep. Purcell moved that Amendment No. 47 be tabled, which motion

prevailed by the following vote:

Ayes. . . . .	54
Noes. . . . .	40

Representatives voting aye were: Allen, Anderson, Bell, Bittle, Bivens, Bragg, Buck, Clark, Coffey, Cole, Collier, Crain, Cross, Davidson, Davis (Cocke), Davis (Knox), Ferguson, Fowlkes, Garrett, Givens, Halteman, Hargrove, Harrill, Haun, Hill, Hillis, Holt, Huskey, Johnson, Kent, Knight, McKee, Meyer, Moore, Napier, Peroulas Draper, Phillips, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Washington), Severance, Stamps, Tindell, Turner (Hamilton), Walley, West, Whitson, Winningham, Wix, Mr. Speaker Naifeh -- 54.

Representatives voting no were: Armstrong, Arriola, Byrd, Callicott, Chumney, Curlee, Davis (Gibson), DeBerry, Dixon, Gunnels, Hassell, Head, Herron, Holcomb, Hubbard, Jackson, Jones R (Shelby), Jones U (Shelby), Joyce, Kernell, King, Kisber, Liles, Love, McAfee, McDaniel, Niceley, Odom, Pinion, Pruitt, Robinson (Hamilton), Shirley, Sipes, Tullos, Turner (Shelby), Venable, Williams (Shelby), Williams (Union), Windle, Wood -- 40.

#### REQUEST TO CHANGE VOTE

MR. SPEAKER: Pursuant to Rule No. 31, I wish to express a desire to change my original stand from aye to no on the motion to table Amendment No. 47 and have this statement entered in the Journal.

Rep. H. E. Bittle

#### REGULAR CALENDAR, CONTINUED

Rep. McKee moved that Amendment No. 48 be withdrawn, which motion prevailed.

Rep. Severance moved the previous question on the bill, which motion failed by the following vote:

Ayes. . . . .	50
Noes. . . . .	44

Representatives voting aye were: Anderson, Armstrong, Bell, Bittle, Bivens, Bragg, Buck, Clark, Coffey, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), Duer, Garrett, Givens, Harrill, Haun, Hill, Hillis, Holt, Huskey, Kent, McKee, Meyer, Moore, Napier, Odom, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Washington), Severance, Tindell, Turner (Hamilton), Venable, Walley, West, Whitson, Williams (Union), Winningham -- 50.

Representatives voting no were: Allen, Arriola, Byrd,

Callicott, Chiles, Chumney, Cole, DeBerry, Ferguson, Fowlkes, Gunnels, Haley, Halteman, Hargrove, Hassell, Head, Herron, Holcomb, Hubbard, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Joyce, Kernell, King, Kisber, Knight, Love, McAfee, McDaniel, Niceley, Nuber, Peroulas Draper, Pruitt, Robinson (Davidson), Shirley, Sipes, Stamps, Tullos, Turner (Shelby), Williams (Shelby), Windle, Wood -- 44.

Rep. Head moved to amend as follows:

**Amendment No. 49**

Amend Senate Bill No. 777 by adding the following new section immediately preceding the last section and by renumbering the subsequent section accordingly:

Section \_\_\_\_\_. Tennessee Code Annotated, Section 67-6-329(a), is amended by deleting subdivision (3) in its entirety and by renumbering the subsequent subdivisions accordingly.

**PARLIAMENTARY INQUIRY**

Rep. Rhinehart asked if this Amendment were properly before us since the substance had been tabled earlier and requested a ruling on same.

**REGULAR CALENDAR, CONTINUED**

Rep. Rhinehart moved that Amendment No. 49 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	55
Noes. . . . .	38
Present and not voting. . . . .	2

Representatives voting aye were: Anderson, Bell, Bittle, Bivens, Bragg, Buck, Chumney, Clark, Coffey, Collier, Cross, Davidson, Davis (Cocke), Davis (Knox), Duer, Ferguson, Fowlkes, Givens, Hargrove, Hassell, Haun, Herron, Hillis, Holt, Hubbard, Huskey, Johnson, Kent, Kernell, Knight, Love, Meyer, Napier, Peroulas Draper, Phillips, Pruitt, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Turner (Hamilton), Venable, Walley, West, Whitson, Williams (Shelby), Windle, Winningham, Wood, Mr. Speaker Naifeh -- 55.

Representatives voting no were: Allen, Arriola, Byrd, Callicott, Chiles, Cole, Crain, Curlee, DeBerry, Dixon, Garrett, Gunnels, Halteman, Harrill, Head, Hill, Holcomb, Jackson, Jones R (Shelby), Jones U (Shelby), Joyce, King, Kisber, Liles, McAfee, McDaniel, McKee, Moore, Niceley, Nuber, Odom, Pinion, Shirley, Sipes, Tullos, Turner (Shelby), Williams (Union), Wix -- 38.

Representatives present and not voting were: Armstrong, Tindell -- 2.

Rep. Head moved to amend as follows:

**Amendment No. 50**

Amend Senate Bill No. 777 by adding the following new section immediately preceding the last section and by renumbering the subsequent section accordingly:

Section \_\_\_\_\_. Tennessee Code Annotated, Section 67-6-102(22), is amended by adding the following new subdivision:

( ) "Retail sale" or "sale at retail" includes the sale of advertising space by a newspaper.

Rep. Rhinehart moved that Amendment No. 50 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	64
Noes. . . . .	28
Present and not voting. . . . .	1

Representatives voting aye were: Allen, Anderson, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Chumney, Clark, Coffey, Cole, Collier, Crain, Cross, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, Duer, Ferguson, Fowlkes, Givens, Haley, Hargrove, Haun, Herron, Hillis, Holt, Hubbard, Huskey, Johnson, Kent, Kernell, Kisber, Knight, Love, McDaniell, Meyer, Napier, Nuber, Peroulas Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Tullos, Turner (Hamilton), Walley, West, Whitson, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 64.

Representatives voting no were: Callicott, Curlee, Dixon, Garrett, Gunnels, Halteman, Harrill, Hassell, Head, Hill, Holcomb, Jackson, Jones R (Shelby), Jones U (Shelby), Joyce, King, McAfee, McKee, Niceley, Odom, Rigsby, Shirley, Sipes, Turner (Shelby), Venable, Williams (Shelby), Williams (Union), Wix -- 28.

Representatives present and not voting were: Tindell -- 1.

Rep. U. Jones moved to amend as follows:

**Amendment No. 51**

Amend Senate Bill No. 777 by adding the following new section immediately preceding the severability clause section and by renumbering the subsequent sections accordingly:

Section \_\_\_\_\_. Notwithstanding the provisions of

Tennessee Code Annotated, Title 67, Chapter 6, Part 2 to the contrary, the rate of tax on the sale of any food or food product for human consumption; except alcoholic beverages, tobacco, and foods or food products prepared and served for immediate consumption and the sale of any school materials, including but not limited to, notebooks, paper, pencils, pens, or rulers shall be three percent (3%).

Rep. Davis (Cocke) moved that Amendment No. 51 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	56
Noes. . . . .	34

Representatives voting aye were: Allen, Anderson, Bell, Bittle, Bivens, Bragg, Buck, Callicott, Coffey, Cole, Copeland, Crain, Cross, Curlee, Davis (Cocke), Davis (Gibson), Davis (Knox), Duer, Fowlkes, Garrett, Givens, Haley, Hargrove, Harrill, Haun, Hill, Hillis, Holt, Huskey, Johnson, Kent, Knight, McDaniel, McKee, Meyer, Napier, Niceley, Peroulas Draper, Phillips, Purcell, Rhinehart, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Sipes, Turner (Hamilton), Venable, Walley, Whitson, Williams (Union), Wix, Wood, Mr. Speaker Naifeh -- 56.

Representatives voting no were: Armstrong, Arriola, Byrd, Chumney, Clark, Collier, Davidson, DeBerry, Dixon, Ferguson, Halteman, Hassell, Herron, Holcomb, Hubbard, Jackson, Jones R (Shelby), Jones U (Shelby), Joyce, Kernell, King, Kisber, Odom, Pinion, Pruitt, Ridgeway, Shirley, Tindell, Tullis, Turner (Shelby), West, Williams (Shelby), Windle, Winningham -- 34.

Rep. Callicott moved to amend as follows:

#### Amendment No. 52

AMEND Senate Bill No. 777 by deleting all sections following the enacting clause and by substituting the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-202, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 2. Tennessee Code Annotated, Section 67-6-203, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 3. Tennessee Code Annotated, Section 67-6-204, is amended by deleting the words and number "five and one-half percent (5.5%)" wherever it appears and substituting instead the words and number "six percent (6%)".

SECTION 4. Tennessee Code Annotated, Section 67-6-205, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 5. Tennessee Code Annotated, Section 67-6-221, is amended by deleting the words and number "five and one-half percent (5.5%)" and substituting instead the words and number "six percent (6%)".

SECTION 6. Notwithstanding the provisions of Tennessee Code Annotated, Section 67-6-103, to the contrary, all revenue derived from taxes increased by the provisions of this act shall be deposited in the general fund and first allocated and earmarked to restore budget cuts in education grades K-12 and the remainder allocated and earmarked to fund the basic education plan.

SECTION 7. This act shall take effect April 1, 1992, the public welfare requiring it and shall be repealed on June 30, 1993.

Rep. Purcell moved that Amendment No. 52 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	49
Noes. . . . .	45
Present and not voting. . . . .	2

Representatives voting aye were: Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Chumney, Clark, Cole, Copeland, Cross, Davis (Gibson), Duer, Ferguson, Fowlkes, Givens, Haley, Hargrove, Haun, Head, Herron, Hill, Hillis, Holt, Huskey, Kisber, Knight, Love, McAfee, Moore, Napier, Peroulas Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Tindell, Turner (Hamilton), Whitson, Williams (Shelby), Wix, Mr. Speaker Naifeh -- 49.

Representatives voting no were: Allen, Anderson, Byrd, Callicott, Coffey, Collier, Crain, Curlee, Davidson, DeBerry, Dixon, Garrett, Gunnels, Halteman, Harrill, Hassell, Holcomb, Hubbard, Jackson, Johnson, Jones R (Shelby), Joyce, Kent, Kernell, King, Liles, McDaniel, McKee, Meyer, Niceley, Nuber, Odom, Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tullos, Turner (Shelby), Venable, Walley, West, Williams (Union), Windle, Winningham -- 45.

Representatives present and not voting were: Davis (Knox), Jones U (Shelby) -- 2.

Rep. Shirley moved to amend as follows:

Amendment No. 53

AMEND Senate Bill No. 777 by deleting Sections 1 through 5 in their entirety.

AND FURTHER AMEND by adding the following new sections immediately preceding the severability clause section and by renumbering the subsequent sections accordingly:

Section \_\_\_\_\_. Tennessee Code Annotated, Section 57-5-201(a)(1), is amended by deleting the language "three dollars and ninety cents (\$3.90)" and by substituting instead the language "five dollars and eighty-five cents (\$5.85)".

Section \_\_\_\_\_. Tennessee Code Annotated, Section 57-3-302(a), is amended by deleting the language "one dollar and ten cents (\$1.10)" and by substituting instead the language "one dollar and sixty cents (\$1.60)".

Section \_\_\_\_\_. Tennessee Code Annotated, Section 57-3-302(b), is amended by deleting the language "four dollars (\$4.00)" and by substituting instead the language "five dollars (\$5.00)".

Section \_\_\_\_\_. Tennessee Code Annotated, Section 67-4-1004(a), is amended by deleting the language "six and one-half (6 1/2) mills" and by substituting instead the language "eleven and one-half (11 1/2) mills".

Rep. Davis (Cocke) moved that Amendment No. 53 be tabled, which motion prevailed by the following vote:

Ayes. . . . .	47
Noes. . . . .	43
Present and not voting. . . . .	2

Representatives voting aye were: Anderson, Armstrong, Bittle, Bivens, Bragg, Buck, Chiles, Coffey, Collier, Copeland, Cross, Curlee, Davidson, Davis (Cocke), Davis (Knox), Duer, Fowlkes, Givens, Gunnels, Hargrove, Haun, Head, Hill, Hillis, Hubbard, Huskey, Kent, King, Knight, Meyer, Moore, Napier, Peroulas Draper, Pruitt, Purcell, Rhinehart, Ridgeway, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Tindell, Venable, Whitson, Winningham, Wix -- 47.

Representatives voting no were: Allen, Arriola, Byrd, Callicott, Chumney, Clark, Cole, Ferguson, Garrett, Haley, Halteman, Hassell, Herron, Holcomb, Holt, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Joyce, Kernell, Kisber, Liles, McAfee, McDaniel, McKee, Niceley, Nuber, Odom, Phillips, Pinion, Rigsby, Shirley, Sipes, Stamps, Tullos, Turner (Shelby), Walley, West, Williams (Shelby), Williams (Union), Windle, Wood -- 43.

Representatives present and not voting were: Crain, Mr. Speaker Naifeh -- 2.

Amendment No. 54 by Rep. Bivens was called up by the Chair.

Rep. Severance moved the previous question on the bill, which motion prevailed by the following vote:

Ayes. . . . .	64
Noes. . . . .	31

Representatives voting aye were: Allen, Anderson, Armstrong, Bell, Bittle, Bivens, Bragg, Buck, Chiles, Clark, Coffey, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), Duer, Fowlkes, Garrett, Givens, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Hill, Hillis, Holt, Huskey, Joyce, Kent, Liles, Love, McKee, Meyer, Moore, Napier, Odom, Peroulas, Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Tindell, Venable, Walley, West, Whitson, Williams (Union), Winningham, Wix -- 64.

Representatives voting no were: Arriola, Byrd, Callicott, Chumney, Cole, DeBerry, Dixon, Ferguson, Gunnels, Herron, Holcomb, Hubbard, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Kernell, King, Kisber, McAfee, McDaniel, Niceley, Nuber, Shirley, Sipes, Stamps, Tullos, Turner (Shelby), Williams (Shelby), Windle, Wood -- 31.

Thereupon, Rep. Rhinehart moved that **Senate Bill No. 777**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes. . . . .	54
Noes. . . . .	45

Representatives voting aye were: Allen, Anderson, Armstrong, Bell, Bittle, Bivens, Buck, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Duer, Ferguson, Fowlkes, Givens, Haley, Hargrove, Haun, Hill, Hillis, Holt, Hubbard, Huskey, Johnson, Knight, McAfee, Moore, Napier, Peroulas, Draper, Phillips, Pinion, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Tindell, Turner (Hamilton), Venable, Walley, Whitson, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 54.

Representatives voting no were: Arriola, Bragg, Byrd, Callicott, Chiles, Chumney, Clark, Davis (Knox), DeBerry, Dixon, Garrett, Gunnels, Halteman, Harrill, Hassell, Head, Herron, Holcomb, Jackson, Jones R (Shelby), Jones U (Shelby), Joyce, Kent, Kernell, King, Kisber, Liles, Love, McDaniel, McKee, Meyer, Niceley, Nuber, Odom, Pruitt, Severance, Shirley, Sipes, Stamps, Tullos, Turner (Shelby), West, Williams (Shelby), Williams (Union), Wix -- 45.

A motion to reconsider was tabled.



REMARKS

Rep. Turner (Hamilton) requested that the following remarks be spread in the Journal.

I'm not in favor of higher taxes, but I am also not in favor of poor education for our kids; higher infant mortality rates; poor prenatal care; higher crime rates and a clogged justice system so overburdened the innocent are punished and the guilty go free. I am in favor of an improved economy for new & better jobs for our people and a social climate that attracts new industry to make economic expansion and new jobs possible. A better education system can move us in that direction.

MESSAGE CALENDAR

HOUSE ACTION ON SENATE MESSAGE

**\*Senate Bill No. 1399** -- Taxes, Personal Property -- Provides that equipment valued at \$500 or less is deemed to have no value for personal property tax purposes. Amends TCA 67-5-901.

Rep. Davis (Knox) moved that Senate Bill No. 1399 be reset one week to the Message Calendar for Wednesday, March 4, 1992, which motion prevailed.

**\*House Joint Resolution No. 0119** -- General Assembly, Directed Studies -- Directs study for providing of day care reimbursement for working couples willing to be foster parents.

Rep. Armstrong moved that House Joint Resolution No. 119 be reset to the Message Calendar for Thursday, February 27, 1992, which motion prevailed.

UNFINISHED BUSINESS

RULES SUSPENDED

Rep. Liles moved that the rules be suspended for the immediate consideration of Senate Joint Resolution No. 353 out of order, which motion prevailed.

**Senate Joint Resolution No. 0353** -- Memorials, Public Service -- Smyrna Jaycees, 20th anniversary.

On motion, the rules were suspended for the immediate concurrence in the resolution.

On motion of Rep. Liles, the resolution was concurred in.

A motion to reconsider was tabled.

**BILLS WITHDRAWN**

On motion of Rep. Kent, House Bill No. 2099 was recalled from the Commerce Committee.

On motion of Rep. Kent, House Bill No. 2099 was withdrawn from the House.

**RULES SUSPENDED**

Rep. Meyer moved that the rules be suspended for the purpose of introducing House Joint Resolution No. 532 out of order, which motion prevailed.

House Joint Resolution No. 0532 -- Memorials, Death -- Marcus Craig Edwards of Chattanooga. by \*Meyer, \*Wood, \*McAfee, \*Copeland.

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Rep. Meyer, the resolution was adopted.

A motion to reconsider was tabled.

**SPONSORS ADDED**

Without objection, the rules were suspended to allow the following members to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Bill No. 2184: Rep(s). Hill as prime sponsor(s).

House Bill No. 476: Rep(s). Wood and Liles as prime sponsor(s).

**REQUESTS TO BE ADDED AS SPONSORS**

The following members requested to add their names as sponsors as indicated below, the prime sponsor having agreed to such addition. Sponsorship was not granted since request was made after passage or substitution of said bill.

House Bill No. 868: Rep(s). Givens.

**INTRODUCTION OF RESOLUTIONS**

On motion, the resolution(s) listed was/were introduced and referred as noted:

House Resolution No. 0155 -- Memorials, Professional and Business Achievement -- Sara Price, Clinton Teacher of the Year. by \*Williams M.

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Referred by the Speaker to the Calendar and Rules Committee.

**House Resolution No. 0156** -- Memorials, Professional and Business Achievement -- Leah Schneider, Clinton Teacher of the Year. by \*Williams M.

Referred by the Speaker to the Calendar and Rules Committee.

**House Resolution No. 0157** -- Memorials, Professional and Business Achievement -- Elaine Peek, Clinton of the Year. by \*Williams M.

Referred by the Speaker to the Calendar and Rules Committee.

**House Resolution No. 0158** -- Memorials, Professional and Business Achievement -- Kathleen Jones, Clinton Teacher of the Year. by \*Williams M.

Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0502** -- Memorials, Sports -- Fred Baker, TSSAA Hall of Fame. by \*Kisber, \*Sipes.

Referred by the Speaker to the Calendar and Rules Committee.

**\*House Joint Resolution No. 0503** -- Highway Signs -- "General Marcus J. Wright Memorial Highway," U.S. 45 Bypass, McNairy County. by \*Rinks.

Referred by the Speaker to the Transportation Committee.

**House Joint Resolution No. 0504** -- Memorials, Sports -- Leo Martindale, TSSAA Hall of Fame. by \*Kisber, \*Sipes.

Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0505** -- Memorials, Personal Achievement -- Erin Ruth Baumgardner, Voice of Democracy speech contest winner. by \*McKee.

Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0507** -- Memorials, Personal Achievement -- Bryan Edward Lindfield, Eagle Scout. by \*Byrd.

Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0508** -- Memorials, Death -- Reverend Edward C. Cole. by \*Sipes, \*Kisber, \*McDaniel.

Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0509** -- Memorials, Death -- David Aaron Hamilton. by \*Love.

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Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0510 -- Memorials, Public Service --**  
Elsie Burrell, 66 years in education. by \*Phillips.

Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0511 -- Memorials, Death -- Harold E.**  
Weakley. by \*Arriola.

Referred by the Speaker to the Calendar and Rules Committee.

**House Joint Resolution No. 0512 -- Naming and Designating --**  
"Quality Control Month," October 1992. by \*Herron.

Referred by the Speaker to the State and Local Government Committee.

#### **SENATE JOINT RESOLUTIONS (Congratulatory and Memorializing)**

On motion, the resolutions listed were referred as noted:

**Senate Joint Resolution No. 0350 -- Memorials, Professional and**  
Business Achievement -- Jeanne Williamson, 1991 "Businesswoman of  
the Year".

Referred by the Speaker to the Calendar and Rules Committee.

**Senate Joint Resolution No. 0351 -- Memorials, Professional and**  
Business Achievement -- Bill Gracey, "Businessman of the Year".

Referred by the Speaker to the Calendar and Rules Committee.

#### **RESOLUTIONS LYING OVER**

On motion, the resolutions(s) listed was/were introduced and  
referred as noted:

**\*Senate Joint Resolution No. 0354 -- Naming and Designating --**  
"Vietnam Veterans Week," November 11-17, 1992.

Referred by the Speaker to the State and Local Government Committee.

**\*Senate Joint Resolution No. 0355 -- Naming and Designating --**  
"Police Memorial Week," May 11-17, 1992.

Referred by the Speaker to the State and Local Government Committee.

**\*Senate Joint Resolution No. 0356 -- Naming and Designating --**  
"Buy America." Month, July 1992.

Referred by the Speaker to the State and Local Government Committee.

INTRODUCTION OF BILLS

On motion, the following bills were introduced and passed first consideration:

**\*House Bill No. 2405** -- State Employees -- Makes provision allowing spouse and dependent children of employee killed in performance of duty to continue group health insurance retroactive to January 1, 1970. Amends TCA 8-27-208. by \*Robinson Robb.

Passed first consideration.

**House Bill No. 2406** -- Judicial Districts -- Entitles district attorney general of third judicial district to one additional criminal investigator position. Amends TCA 16-2-506. by \*Givens.

Passed first consideration.

**House Bill No. 2407** -- Fees -- Permits petitioner for an order of protection to proceed on pauper's oath; allows court to assess court costs depending upon whether such order is issued; permits petition for order to be brought in county where either party resides or where abuse occurred. Amends TCA, Title 36. by \*Chumney, \*Byrd, \*Moore, \*Peroulas Draper, \*DeBerry, \*Herron, \*Turner B, \*Purcell.

Passed first consideration.

**\*House Bill No. 2408** -- Firefighters -- Renames TN State Fire College "TN State Fire Academy"; transfers from board of regents to state fire marshal; provides for funding through State Fire Prevention Fund. Amends TCA 49-8-701, 68-17-142. by \*Bragg.

Passed first consideration.

**House Bill No. 2410** -- Madison County -- Redefines duties relative to budget transfers and adjustments. Amends Chapter 163, Private Acts of 1986. by \*Kisber, \*Sipes.

Passed first consideration.

**\*House Bill No. 2411** -- Eminent Domain -- Prohibits placing improvements on property which is subject of right-of-way after public hearings have begun. Amends TCA, Title 54. by \*Rinks.

Passed first consideration.

**House Bill No. 2412** -- Insurance Companies, Agents, Brokers -- Deletes time when an appeal must be filed in regard to a dispute with medical service plan corporation. Amends TCA, Title 56. by \*Haun.

Passed first consideration.

**House Bill No. 2413** -- Education -- Requires inclusion of final arbitration of disputes over existing agreements between board of education and professional employees association. Amends TCA 49-5-612. by \*Turner L, \*Davidson.

Passed first consideration.

**House Bill No. 2414** -- Teachers -- Establishes professional employee relations commission to hear complaints of unlawful acts under Education Professional Negotiations Act. Amends TCA, Title 49, Ch. 5, Pt. 6. by \*Turner L, \*Davidson.

Passed first consideration.

**House Bill No. 2415** -- Criminal Offenses -- Makes it Class B misdemeanor to intentionally throw hard objects at trains, buses, street cars or watercraft. Amends TCA, Title 39, Ch. 14, Pt. 4. by \*Whitson, \*Davis R E, \*Moore, \*Ridgeway.

Passed first consideration.

**House Bill No. 2416** -- Public Funds and Financing -- Permits government officials to accept check or money order for payment of taxes, fines and certain fees; establishes penalty for doing so when account has insufficient funds. Amends TCA, Title 9, Ch. 1, Pt. 1, 39-14-121, 40-3-203. by \*Whitson.

Passed first consideration.

**House Bill No. 2417** -- Highway Signs -- "Jack E. Snider Bridge," Unicoi County. by \*Whitson.

Passed first consideration.

**House Bill No. 2418** -- Highway Signs -- "George Washington Wilson Bridge," Unicoi County. by \*Whitson.

Passed first consideration.

**House Bill No. 2419** -- Carter County -- Increases hotel occupancy tax from 3 to 5 percent; increases from 2 to 5 percent amount of tax operator allowed to deduct in paying county clerk. Amends Chapter 186, Private Acts of 1984, as amended. by \*Whitson, \*Cole.

Passed first consideration.

**\*House Bill No. 2420** -- School Transportation -- Transfers responsibility for providing school transportation services from local boards of education to commissioner of education. Amends TCA, Title 49, Chs. 1--6. by \*Callicott, \*Bivens.

Passed first consideration.

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**House Bill No. 2421 -- Taxes, Amusement --** Clarifies that amusement tax does not apply to live entertainment conducted in an establishment operated primarily for the sale of prepared food. Amends TCA 67-6-212, 215, 67-6-330. by \*Chiles.

Passed first consideration.

**\*House Bill No. 2422 -- Highway Signs --** "William Alexander 'Billy' Kelley Memorial Bridge," Rutherford County. by \*Liles.

Passed first consideration.

**House Bill No. 2423 -- Motor Vehicles --** Sets fine of \$5.00 for initial violation of seat belt law, rather than warning citation. Amends TCA 55-9-603. by \*Tindell.

Passed first consideration.

**House Bill No. 2424 -- Motor Vehicles --** Permits vehicles used for law enforcement purposes to violate certain rules of the road without using siren or light if in route to scene of crime in progress and use would jeopardize safety of driver, member of public or would impair driver's ability to apprehend criminal. Amends TCA, Title 55, Ch. 8. by \*Hubbard.

Passed first consideration.

**\*House Bill No. 2425 -- Annexation --** Excludes fire protection districts from instrumentalities which are to attempt to reach agreement for allocation and conveyance of functions, rights, duties, properties, assets and liabilities to annexing municipality. Amends TCA, Title 6, Ch. 51. by \*Anderson.

Passed first consideration.

**\*House Bill No. 2426 -- Adoption --** Requires DHS to search sealed adoption records of adopted sibling 21 years or older upon petition of non-adopted sibling 21 years or older; requires forwarding of petitioner's name and address to sibling if found; if sibling deceased, name of sibling to be released to petitioner. Amends TCA, Title 36, Ch. 1, Pt. 1. by \*Buck, \*Crain, \*Herron, \*Robinson (Davidson).

Passed first consideration.

**\*House Bill No. 2427 -- Railroads --** Makes destruction of or interference with railroad property Class E felony regardless of property value. Amends TCA, Title 39, Ch. 14, Pt. 4. by \*Whitson, \*Davis R E, \*Ridgeway.

Passed first consideration.

**House Bill No. 2428 -- Taxes, Gasoline, Petroleum Products --** Distributes taxes collected on special petroleum products, 95 percent to highway fund and 5 percent to general fund, instead of 98

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percent and 2 percent respectively. Amends TCA, Title 67. by \*Davis R E.

Passed first consideration.

**House Bill No. 2429** -- Taxes -- Gives taxpayer 45, rather than 30 days, to pay undisputed back taxes and have penalty waived. Amends TCA, Title 67. by \*Davis R E.

Passed first consideration.

**House Bill No. 2430** -- Highway Signs -- Forbidden Caverns, I-40. by \*Davis R E, \*Huskey.

Passed first consideration.

**House Bill No. 2431** -- Alcoholic Beverages -- Authorizes liquor by drink referendum in any jurisdiction authorized to conduct package sales referendum. Amends TCA 57-3-106, 57-4-103. by \*Head.

Passed first consideration.

**House Bill No. 2432** -- Taxes, Real Property -- Authorizes prior state and local review of property tax incentives for economic development to uniformly determine property tax liability of new investment prospects. by \*Kisber, \*Bragg, \*Turner B, \*West.

Passed first consideration.

**House Bill No. 2433** -- Mental Health and Mental Retardation, Dept. of -- Requires department to sell or lease mental institute property not in use for development of mental health facilities and programs; establishes special trust fund for deposit of funds from such sale or lease. Amends TCA, Titles 12, 33. by \*Wood, \*Chiles, \*Haltman.

Passed first consideration.

**House Bill No. 2434** -- Crime, Victims of -- Transfers moneys contained in victims of drunk drivers' compensation fund to criminal injuries compensation fund for purpose of providing sufficient funds to all eligible crime victims. Amends TCA 29-13-101, 104, 109, 111, 112, 116, 40-24-107, 67-4-606. by \*Buck, \*Robinson Robb.

Passed first consideration.

**House Bill No. 2435** -- Districting, Congressional -- Establishes congressional districts. Amends TCA, Title 2, Ch. 16. by \*Kisber.

Passed first consideration.

**\*House Bill No. 2436** -- County Government -- Expands county government's authority to place charges for weed and debris removal on property tax rolls to include owner occupied residential property. Amends TCA, Title 5, Ch. 1; Title 6, Ch. 54. by \*Kisber, \*Sipes.



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Passed first consideration.

**\*House Bill No. 2437** -- Zoning -- Authorizes county commission to provide for referenda on issue of whether county should have zoning. Amends TCA, Title 13, Chs. 3, 7. by \*McKee.

Passed first consideration.

**House Bill No. 2438** -- Criminal Offenses -- Deletes word "exclusively" in referring to use of fines and forfeitures to be used in drug enforcement program. Amends TCA, Title 39, Ch. 17, Pt. 4. by \*Meyer, \*Wood, \*McAfee, \*Hill.

Passed first consideration.

**House Bill No. 2439** -- Municipal Government -- Requires municipal corporation to levy property tax and provide municipal services as prerequisite to receiving revenue from state shared taxes. Amends TCA, Title 6, Ch. 54, Pt. 1. by \*Head.

Passed first consideration.

**House Bill No. 2440** -- Constitutional Conventions -- Calls constitutional convention to reorganize courts. by \*Head.

Passed first consideration.

**House Bill No. 2441** -- Knox County -- Creates 5th Division of General Sessions Court. by \*Hill, \*Peroulas Draper, \*Severance, \*Bittle, \*Tindell, \*Davis J K, \*Armstrong.

Passed first consideration.

**House Bill No. 2442** -- Lawrence County -- Enacts hotel/motel tax. by \*Moore.

Passed first consideration.

**House Bill No. 2443** -- Lawrence County -- Revises districts for school board members. Repeals Chapter 344, Private Acts of 1972, as amended. by \*Moore.

Passed first consideration.

**\*House Bill No. 2444** -- Abortion -- Enacts "Woman's Informed Choices Act". Amends TCA, Title 39, Ch. 15, Pt. 2. by \*Holcomb, \*Pinion.

Passed first consideration.

**\*House Bill No. 2445** -- Abortion -- Revises informed consent requirements. Amends TCA, Title 39, Ch. 15, Pt. 2. by \*Holcomb.

Passed first consideration.

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**\*House Bill No. 2446** -- Game and Fish Laws -- Exempts certain juveniles under supervision of adult from the purchase of fishing licenses. Amends TCA, Title 70, Ch. 2. by \*Holcomb.

Passed first consideration.

**House Bill No. 2447** -- Local Education Agency -- Clarifies the present method of election of school superintendents by the county commission; may be retained until 1996 by counties electing superintendents in 1993. Amends Chapter , Public Acts of 1992 [SB 1231/HB 752]. by \*Pinion.

Passed first consideration.

**House Bill No. 2448** -- Forest and Forest Products -- Limits forestry exemption from water quality control law to forestry activities using best management practices. Amends TCA, Title 69, Ch. 3, Pt. 1. by \*Odom.

Passed first consideration.

**\*House Bill No. 2449** -- Insurance, Health, Accident -- Enacts "Tennessee Small Employer Group Health Coverage Reform Act". Amends TCA, Title 56. by \*McDaniel, \*Herron.

Passed first consideration.

**\*House Bill No. 2450** -- Education -- Requires candidates for county boards of education to have G.E.D. to qualify for election. Amends TCA 49-2-202. by \*McDaniel, \*Haun, \*Cole, \*Sipes, \*Liles, \*Rinks, Davidson.

Passed first consideration.

**House Bill No. 2451** -- Transportation, Dept. of -- Authorizes cutting down of trees and foliage along I-75 adjacent to Cleveland State Community College. by \*Bivens, \*Harrill.

Passed first consideration.

**House Bill No. 2452** -- Bradley County -- Gives hospital board authority to acquire or lease property related to business of hospital and to make health care services available; makes revenues from operation of hospital used for capital projects and health care services to indigents after expenses and bond payments. by \*Bivens, \*Harrill.

Passed first consideration.

**House Bill No. 2453** -- Williamson County -- Authorizes election commission to use computerized method of storing duplicate voter registration records. by \*Callicott, \*Liles.

Passed first consideration.

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**House Bill No. 2454** -- Transportation, Dept. of -- Transfers control and maintenance of Tellico Parkway in Loudon County from Tellico Reservoir Development Agency to department. by \*Gunnels, \*Anderson, \*Huskey, \*Harrill.

Passed first consideration.

**House Bill No. 2455** -- Bail, Bail Bonds -- Clarifies list of offenses for which no bail is available pending appeal. Amends TCA 40-11-103, 40-26-102, 40-35-116. by \*Williams K.

Passed first consideration.

**House Bill No. 2456** -- Criminal Procedure -- Makes technical changes to forfeiture and boot camp statutes to bring in conformity with terminology of Criminal Sentencing Reform Act of 1989. Amends TCA 40-20-205, 40-33-101, 108. by \*Williams K.

Passed first consideration.

**House Bill No. 2457** -- Taxes, Real Property -- Equalizes charges imposed for redeeming property sold at tax sale on property owner and nonowner by increasing fees for nonowners. Amends TCA 67-5-2703. by \*Williams K.

Passed first consideration.

**House Bill No. 2458** -- Courts -- Authorizes clerk of any state, county, or municipality to collect fees, fines or court costs by credit card. by \*Williams M, \*Coffey.

Passed first consideration.

**House Bill No. 2459** -- Union County -- Authorizes pay increase for county highway commissioners from \$20 to \$50 per meeting and \$75 for the chairman. Amends Chapter 154, Private Acts of 1943, as amended. by \*Williams M.

Passed first consideration.

**House Bill No. 2460** -- Custody and Support -- Prohibits change of child custody at child's school. Amends TCA, Title 36, Ch. 6. by \*Williams M, \*Holcomb, \*Gunnels.

Passed first consideration.

**House Bill No. 2461** -- Insurance, Motor Vehicle -- Prohibits insurance company from requiring insured to use particular company for providing automobile glass replacement or other auto repairs under policy. Amends TCA, Title 56, Ch. 7, Pt. 11. by \*Moore, \*Whitson.

Passed first consideration.

**House Bill No. 2462** -- Public Service Commission -- Requires

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candidates to be qualified voters in grand division from which seek election. Amends TCA 65-1-102. by \*Moore, \*Crain, \*Holt, \*Ridgeway, \*Gunnels, \*Givens, \*Pinion, \*Johnson, \*Kisber.

Passed first consideration.

**\*House Bill No. 2463** -- Water Resources -- Authorizes local governments to regulate storm water discharges and establish drainage and flood control systems when municipalities are subject to EPA regulations. by \*Odom.

Passed first consideration.

**\*House Bill No. 2464** -- Insurance, Health, Accident -- Revises certain provisions of insurance laws. Amends TCA, Titles 50, 56. by \*Bivens.

Passed first consideration.

**\*House Bill No. 2465** -- Employees, Employers -- Requires employer to give separation notice to all employees separated from employment for more than seven days. Amends TCA, Title 50, Ch. 7. by \*Bivens.

Passed first consideration.

**House Bill No. 2466** -- Physicians and Surgeons -- Repeals Physicians' Conflict of Interest Disclosure Act of 1991; establishes new criteria relative to conflict of interest when physicians own health care equipment and facilities. Amends TCA, Title 63. by \*Herron.

Passed first consideration.

**\*House Bill No. 2467** -- Education -- Permits local governmental bodies to retain school superintendent employed by local education board upon two-thirds vote instead of conducting election for office in 1992. Amends TCA, Title 49, Ch. 2. by \*Bivens, \*Davidson.

Passed first consideration.

**House Bill No. 2468** -- Lobbying, Lobbyists -- Revises lobbying registration law. Amends TCA, Title 2, Ch. 10; Title 3, Ch. 6; Title 8, Ch. 50, Pt. 5. by \*Herron.

Passed first consideration.

**House Bill No. 2469** -- Medicine, Practice of -- Recreates state board of medical examiners. Amends TCA, Title 63. by \*Herron.

Passed first consideration.

**House Bill No. 2470** -- Medicare and Medicaid -- Increases penalty for Medicaid fraud to Class C felony. Amends TCA, Titles 38, 39, 71. by \*Herron.

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Passed first consideration.

**House Bill No. 2471** -- Children -- Continues certain programs to promote and protect the health, safety and welfare of children. Amends TCA, Titles 3, 36, 37, 68, 71. by \*Herron.

Passed first consideration.

**House Bill No. 2472** -- Hospitals and Health Care Facilities -- Alters composition of health facilities commission. Amends TCA, Title 68. by \*Herron.

Passed first consideration.

**House Bill No. 2473** -- Telecommunications -- Prohibits telephone companies from charging long distance rates for calls where origin and termination of such calls are in same county. Amends TCA, Title 65. by \*Herron.

Passed first consideration.

**House Bill No. 2474** -- Consumer Protection -- Increases time from one to two years from date of a settlement agreement to request court to set aside. Amends TCA, Title 47, Ch. 18; Title 71, Ch. 2. by \*Herron.

Passed first consideration.

**\*House Bill No. 2475** -- Municipal Government -- Authorizes nonresident to be member of municipal electric power board. Amends TCA, Title 7, Ch. 52. by \*Venable.

Passed first consideration.

**House Bill No. 2476** -- Districting, Congressional -- Redistricts congressional districts. Amends TCA 2-16-102, 103. by \*Jackson.

Passed first consideration.

**House Bill No. 2477** -- Financial Disclosure -- Changes reporting date to December 31 for campaign financial reports due in December; changes filing date for such reports to January 31. Amends TCA, Title 2, Ch. 10, Pt. 1. by \*Head, \*Kisber.

Passed first consideration.

**House Bill No. 2478** -- Districting, Congressional -- Redistricts congressional districts. Amends TCA 2-16-102, 103. by \*Head.

Passed first consideration.

**House Bill No. 2479** -- Apportionment, Legislative -- Redistricts general assembly. Amends TCA, Title 3, Ch. 1. by \*Head.

Passed first consideration.

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**\*House Bill No. 2480** -- Taxes, Gasoline, Petroleum Products -- Increases tax on aviation fuel sold in Davidson County by 1/2 cent per gallon; earmarks proceeds for noise abatement programs by metropolitan airport authorities. Amends TCA, Title 42; Title 67, Ch. 6. by \*West.

Passed first consideration.

**\*House Bill No. 2481** -- Consumer Protection -- Expresses implied warranties apply on used motor vehicles even if sold "as is" if seller misrepresents or fails to disclose motor or transmission rebuilt, vehicle wrecked and correct mileage odometer. Amends TCA, Title 47, Ch. 50. by \*DeBerry.

Passed first consideration.

**\*House Bill No. 2482** -- Day Care -- Enacts "Prescribed Child Care Center Regulatory Act of 1992". Amends TCA, Titles 4, 68, 71. by \*DeBerry.

Passed first consideration.

**House Bill No. 2483** -- Zoning -- Requires a referendum on any proposed zoning ordinance in Giles County. by \*Fowlkes.

Passed first consideration.

**\*House Bill No. 2484** -- Drugs -- Increases time for mailing notices of price changes for drug formulary from not less than 30 to not less than 40 days in advance. Amends TCA 71-5-108. by \*Bivens.

Passed first consideration.

**House Bill No. 2485** -- Day Care -- Delays for one year implementation of the state registry to screen child care providers. Amends TCA 37-1-408. by \*DeBerry, \*Williams K, \*Purcell, \*Chumney, \*Givens, \*Whitson, \*Armstrong, \*Turner B.

Passed first consideration.

**House Bill No. 2486** -- Shelbyville -- Gives city manager authority to act as administrative head of city; authorizes city council to set duties and functions of all city departments; gives city manager authority to manage all departments. Amends Chapter 754, Private Acts of 1947, as amended. by \*Phillips.

Passed first consideration.

**\*House Bill No. 2487** -- Physicians and Surgeons -- Prohibits physician referral to facilities in which they have an ownership interest; provides investment exception depending on community needs if interest is disclosed; declares violation to be Class A misdemeanor and grounds for disciplinary action. Amends TCA, Title 63, Ch. 6. by \*Herron.

Passed first consideration.

**House Bill No. 2488** -- Psychologists -- Creates offense for psychotherapist to engage in sexual misconduct with client or former client if professional relationship was terminated because of sexual contact; makes offense Class B felony. Amends TCA, Title 39, Ch. 13, Pt. 5. by \*Herron.

Passed first consideration.

**House Bill No. 2489** -- DUI/DWI Offenses -- Requires serving of DUI sentence to commence within 90 days of conviction; requires judge to reduce sentence to time served if sentence cannot be commenced within such time. Amends TCA 55-10-4003. by \*Herron.

Passed first consideration.

**\*House Bill No. 2490** -- Medicine, Practice of -- Deletes provision for election of officers and quorum requirements of board of medical examiners. Amends TCA, Title 63, Ch. 6. by \*Herron.

Passed first consideration.

**\*House Bill No. 2491** -- Medicine, Practice of -- Deletes provision for creation and composition of board of medical examiners. Amends TCA, Title 63, Ch. 6. by \*Herron.

Passed first consideration.

**\*House Bill No. 2492** -- Medicine, Practice of -- Deletes provision for term and vacancies of members of board of medical examiners. Amends TCA, Title 63, Ch. 6. by \*Herron.

Passed first consideration.

**House Bill No. 2493** -- Hospitals and Health Care Facilities -- Removes 5 percent penalty on delinquent payment of annual health facility licensing fees. Amends TCA, Title 68, Ch. 11. by \*Arriola.

Passed first consideration.

**House Bill No. 2494** -- Insurance, Life -- Permits charities to have insurable interest on life of insured who consents to purchase or assign life insurance to such organization. Amends TCA, Title 56, Ch. 7, Pt. 3. by \*Fowlkes.

Passed first consideration.

**\*House Bill No. 2495** -- Pensions and Retirement Benefits -- Gives TCRS credit to executive service employees who lost selective service credit. Amends TCA, Title 8, Ch. 34, Pt. 6. by \*King.

Passed first consideration.

**\*House Bill No. 2496** -- Civil Service -- Requires

nondepartmental state service be counted on a year for one year basis, instead of one-half to one year basis to determine order of civil service layoffs; removes time limit that position in career service shall not be considered because position abolished. Amends TCA 8-30-320. by \*Purcell, \*Jones R, \*Huskey, \*Kent, \*Jones U, \*Knight, \*Fowlkes, \*Haun, Robinson Robb.

Passed first consideration.

**\*House Bill No. 2497** -- Auditing -- Provides that association captive insurance company not be required to perform audit of annual statutory financial statements by independent certified public accountant unless within 90 days before close of fiscal year requested by majority of members. by \*Bivens, \*Kisber, \*Wood, \*Hillis, \*Ridgeway, \*McDaniel, \*Holcomb, \*Phillips.

Passed first consideration.

**\*House Bill No. 2498** -- Traffic Safety -- Prohibits driving in right hand lane within 500 feet of highway patrol officer parked on right shoulder with blue flashing lights on. Amends TCA, Title 55, Ch. 8, Pt. 1. by \*Robinson Robb.

Passed first consideration.

**House Bill No. 2499** -- DUI/DWI Offenses -- Requires clerk of court in which person convicted of DUI for third or subsequent time to publish picture of offender and other information concerning such conviction in newspaper of general circulation. Amends TCA 55-10-403. by \*Robinson Robb.

Passed first consideration.

**\*House Bill No. 2500** -- DUI/DWI Offenses -- Requires motor vehicle registration certificate and plate of driver of vehicle convicted of DUI to be suspended if vehicle registered solely in name of driver; requires suspended certificate and plate to be surrendered to department of safety. Amends TCA, Title 55, Ch. 10. by \*Robinson Robb.

Passed first consideration.

**House Bill No. 2501** -- Racing -- Allows state racing commission to permit simulcast racing. Amends TCA 4-36-103, 105, 4-36-213, 216, 4-36-303, 304, 306. by \*DeBerry, \*King.

Passed first consideration.

**\*House Bill No. 2502** -- Accountants -- Requires written express agreement between accountant and client that accountant's records in course of service to client not be personal property of accountant. Amends TCA, Title 62, Ch. 1, Pt. 1. by \*Bivens.

Passed first consideration.



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**\*House Bill No. 2503** -- Pardons and Paroles -- Establishes parole eligibility review board. Amends TCA, Title 40, Ch. 35, Pt. 6. by \*Armstrong.

Passed first consideration.

**House Bill No. 2504** -- Chiropractors -- Changes term and appointment of board members. Amends TCA 63-4-102. by \*Armstrong.

Passed first consideration.

**House Bill No. 2505** -- Pensions and Retirement Benefits -- Entitles county employees to TCRS credit for time employed by local governmental entity upon passage of resolution by two-thirds vote; requires any person establishing prior service to make lump sum payment equal to current employee/employer contribution rate. Amends TCA, Title 8, Ch. 34, Pt. 6. by \*Knight.

Passed first consideration.

**House Bill No. 2506** -- Highway Signs -- "Paul Jones New Memorial Bridge," Cannon County. by \*Buck.

Passed first consideration.

**\*House Bill No. 2507** -- Taxes, Sales -- Provides that sales tax imposed on sale of new motor vehicles shall not include rebates received by purchaser. Amends TCA, Title 67, Ch. 6. by \*West.

Passed first consideration.

**\*House Bill No. 2508** -- Crime, Victims of -- Makes mandatory provisions of "Victims' Bill of Rights". Amends TCA, Title 40, Ch. 38. by \*West.

Passed first consideration.

**\*House Bill No. 2509** -- Economic and Community Development -- Authorizes commissioner of transportation to set aside up to 5 percent of highway fund for disadvantaged business enterprises. Amends TCA 4-26-102, 39-14-137, 54-1-124. by \*West.

Passed first consideration.

**\*House Bill No. 2510** -- Public Service Commission -- Increases from two to three number of certificates of convenience and necessity for radio common carriers per service area. Amends TCA 65-30-105. by \*West.

Passed first consideration.

**House Bill No. 2511** -- Insurance, Motor Vehicle -- Gives insured right to choose whether claims against auto insurance should be paid by bank draft or check. Amends TCA, Title 57, Ch. 7, Pt. 11. by \*Chiles.

Passed first consideration.

**House Bill No. 2512** -- Taxes, Real Property -- Excludes from consideration as income for tax relief purposes any income required to be paid for nursing home expenses. Amends TCA 67-5-702, 703. by \*Chiles.

Passed first consideration.

**\*House Bill No. 2513** -- Water Resources -- Permits commissioner to deny permit to water treatment plant if plan submitted would interfere with countywide water service plan. Amends TCA, Title 69, Ch. 3. by \*Jackson.

Passed first consideration.

**\*House Bill No. 2514** -- Teachers -- Authorizes local board of education to require teacher applicants to submit to background check to verify criminal offenses and to submit to fingerprint check; requires local boards to assume TBI costs for investigations. Amends TCA, Title 38, Ch. 6, Pt. 1; Title 49, Ch. 5. by \*Jackson.

Passed first consideration.

**House Bill No. 2515** -- Public Defenders -- Removes restriction that number of district public defenders and investigators be equivalent to one-half number of assistant district attorneys general and investigators; allows determination by judicial council. Amends TCA, Titles 8, 16, 23, 40. by \*Purcell, \*Clark, \*Armstrong, \*Tindell, \*Fowlkes, \*Windle, \*Hargrove, \*Buck.

Passed first consideration.

**\*House Bill No. 2516** -- Courts -- Establishes deadline for submission of bills to judicial council; requires council to study and make report concerning legislation for new judicial, district attorney general and public defender positions and/or proposals. Amends TCA, Title 16, Ch. 21. by \*Purcell, \*Buck.

Passed first consideration.

**House Bill No. 2517** -- Consumer Protection -- Clarifies that unfair or deceptive acts or practices in the conduct of a trade or business are unlawful. Amends TCA, Title 47, Ch. 18, Pt. 1. by \*Purcell.

Passed first consideration.

**House Bill No. 2518** -- Environmental Preservation -- Transfers and consolidates certain criminal provisions pertaining to the environment. Amends TCA, Title 39, Ch. 17; Titles 68, 69. by \*Purcell.

Passed first consideration.

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**House Bill No. 2519 -- Workers' Compensation --** Authorizes commissioner of labor to appoint advisory committee. Amends TCA, Title 4, Ch. 29; Title 50, Ch. 6. by \*Purcell.

Passed first consideration.

**House Bill No. 2520 -- Contractors --** Enacts "Tennessee Asbestos Contractor Accreditation and Regulation Act". Amends TCA, Title 4, Ch. 3; Title 12, Ch. 2; Titles 49, 62, 68. by \*Purcell, \*Naifeh.

Passed first consideration.

**House Bill No. 2521 -- Education, Higher --** Creates postsecondary educational institution oversight committee under THEC. Amends TCA 49-7-207; Title 49, Ch. 7, Pt. 20. by \*Purcell, \*West, \*Holt, \*DeBerry, \*Love, \*Halteman, \*Odom, \*Davidson, \*Winningham, \*Turner L, \*Jones U.

Passed first consideration.

**House Bill No. 2522 -- Economic and Community Development --** Abolishes Tennessee industrial and agricultural development commission; establishes Tennessee Industrial and Agricultural Commission and Tennessee Scientific and Technological Commission. Amends TCA, Title 4, Chs. 14, 29. by \*Purcell.

Passed first consideration.

**House Bill No. 2523 -- Driver Licenses --** Establishes new requirements; increases fees. Amends TCA 55-12-138; Title 55, Ch. 50. by \*Purcell, \*Robinson Robb, \*Napier, \*Ridgeway, \*Crain, \*Bell.

Passed first consideration.

**House Bill No. 2524 -- Environmental Preservation --** Clarifies organizational responsibilities of departments of environment and conservation, health, agriculture and state planning office relative to environmental programs. Amends TCA, Title 4, Ch. 3, Pt. 5; Title 4, Ch. 31; Title 5, Ch. 19; Title 7, Chs. 54, 58, 82; Title 11, Chs. 1, 4, 11, 42-4-117, 43-8-102, 43-14-218; Title 44, Ch. 18; Title 54, Ch. 17, Pt. 1; Title 59, Chs. 8, 10; Title 60, Ch. 1, Pts. 1, 2; Title 69, Chs. 7, 10--12. by \*Purcell, \*Hillis, \*Odom.

Passed first consideration.

**House Bill No. 2525 -- Conservation --** Establishes Tennessee volunteer conservation corps. Amends TCA, Titles 4, 8, 68--70. by \*Purcell, \*Hillis, \*Odom.

Passed first consideration.

**\*House Bill No. 2526 -- Election Laws --** Increases maximum size of precincts from 3,000 to 3,500 registered rates where voting machines are used. Amends TCA, Title 2. by \*Ridgeway.

Passed first consideration.

**House Bill No. 2527** -- County Government -- Requires any bank that becomes depository of local government funds to secure such funds in collateral pool. Amends TCA 5-8-201, 5-8-301; Title 6, Ch. 56, Pt. 1, 9-4-404; Title 9, Ch. 4, Pt. 5, 9-4-508, 511. by \*Kisber, \*Purcell, \*Ridgeway, \*Byrd, \*Coffey, \*Holt.

Passed first consideration.

**House Bill No. 2528** -- Interest Rates -- Establishes methods of interest rate calculations for contracts and home loan contracts. Amends TCA 47-14-106, 47-15-104. by \*Rhinehart, \*West, \*Byrd, \*Hassell, \*Holt.

Passed first consideration.

**House Bill No. 2529** -- Taxes -- Prohibits owner or taxpayer from paying percentage of taxes saved to anyone for obtaining tax reduction before any assessment authority or board of equalization. Amends TCA, Title 67. by \*Crain, Shirley, Turner L, Jones U.

Passed first consideration.

**House Bill No. 2530** -- Taxes, Real Property -- Provides that persons residing outside of Davidson County may request and receive copies of public documents in possession of the state board of equalization; provides for payment of the cost of reproducing and mailing or telecopying such copies. Amends TCA, Title 67, Ch. 5, Pt. 15. by \*Crain, Shirley, Turner L, Jones U.

Passed first consideration.

**House Bill No. 2531** -- Equalization Board -- Requires statement of authority from one who is appealing to state board of equalization. Amends TCA, Title 67. by \*Crain, \*Shirley, \*Jones R, \*Turner L.

Passed first consideration.

**House Bill No. 2532** -- Taxes -- Removes requirement of updating real property values by application of index unless appraisal ratio is less than 85 percent. Amends TCA, Title 67. by \*Shirley, \*Kent.

Passed first consideration.

**House Bill No. 2533** -- General Services, Dept. of -- Requires commissioner to develop policy governing vans and state employee use of van priority parking. Amends TCA 4-8-206; Title 60, Ch. 1, Pt. 5, 66-24-118; Title 67, Ch. 5, Pts. 6, 10, 68-1-112; Title 68, Ch. 13, 68-16-109; Title 68, Chs. 23, 25, 31, 33, 37, 46, 53; Title 69, Chs. 1, 3. by \*Purcell, \*Love, \*Jones R, \*Holt, \*Ridgeway, \*DeBerry, \*Bell, \*Crain, \*Pinion.

Passed first consideration.

**House Bill No. 2534** -- Personal Property -- Establishes new policy relative to sale of confiscated property. Amends TCA, Title 12, Ch. 2. by \*Purcell, \*Love, \*Jones R, \*Holt, \*Ridgeway, \*DeBerry, \*Bell, \*Crain, \*Pinion.

Passed first consideration.

**House Bill No. 2535** -- Unemployment Compensation -- Modifies portions of employment security law. Amends TCA 50-7-207, 213, 50-7-303, 304, 50-7-401, 403. by \*Purcell, \*Clark, \*West, \*Turner L, \*DeBerry, \*Bell, \*Ridgeway, \*Crain, \*Pinion.

Passed first consideration.

**House Bill No. 2536** -- Insurance, Health, Accident -- Authorizes commissioner of health to require information concerning identity of persons covered by third party and Medicaid insurance; requires third parties to provide computerized file data; holds third party harmless when information requested is released to department. Amends TCA 71-5-117. by \*Purcell, \*Dixon, \*Pruitt, \*Armstrong, \*DeBerry, \*Bell, \*Ridgeway, \*Crain, \*Pinion.

Passed first consideration.

**House Bill No. 2537** -- Adoption -- Allows commissioner of human services to promulgate rules and establish fees relative to post adoption searches; allows commissioner to reduce or waive fees based on recipient's ability to pay; requires fees received by department be deposited in state treasury. Amends TCA, Title 71, Ch. 1, Pt. 1. by \*Purcell, \*Dixon, \*Pruitt, \*Armstrong, \*DeBerry, \*Bell, \*Ridgeway, \*Crain, \*Pinion.

Passed first consideration.

**House Bill No. 2538** -- Financial Institutions, Dept. of -- Allows department to recover costs of examination and supervision of institution assigned 3, 4 or 5 composite rating by department or federal regulatory agency; allows recovery of costs of review of affiliate financial institution if contributed to unsound financial practice. Amends TCA 45-1-118. by \*Purcell, \*Rhinehart, \*Bivens, \*Jackson, \*DeBerry, \*Bell, \*Ridgeway, \*Crain, \*Pinion.

Passed first consideration.

**House Bill No. 2539** -- Financial Institutions, Dept. of -- Empowers commissioner to bring injunction in chancery court of Davidson County when violations of financial institution laws occur. Amends TCA, Title 45, Ch. 1. by \*Purcell, \*Rhinehart, \*Bivens, \*Jackson, \*DeBerry, \*Bell, \*Ridgeway, \*Crain, \*Pinion.

Passed first consideration.

**House Bill No. 2540** -- Revenue, Dept. of -- Increases amount of penalties and refunds which can be authorized by commissioner or designee. Amends TCA 67-1-803, 67-1-1802. by \*Purcell, \*Bragg,

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**\*Kisber, \*Head, \*DeBerry, \*Bell, \*Ridgeway, \*Crain, \*Pinion.**

Passed first consideration.

**House Bill No. 2541 -- Forest and Forest Products -- Limits forestry exemption from water quality control law to forestry activities using best management practices. Amends TCA, Title 69, Ch. 3, Pt. 1. by \*Odom.**

Passed first consideration.

**\*House Bill No. 2542 -- Firearms and Ammunition -- Authorizes local governments to charge a reasonable fee for conducting investigation to determine whether a firearm may lawfully be sold to potential purchaser. Amends TCA, Title 39, Ch. 17, Pt. 13. by \*Odom.**

Passed first consideration.

**House Bill No. 2543 -- Appropriations -- Makes appropriations to defray expenses of state government for fiscal year beginning July 1, 1992. by \*Purcell, \*Bragg, \*Kisber, \*Head, \*Crain, \*Ridgeway, \*DeBerry, \*Pinion.**

Passed first consideration.

**House Bill No. 2544 -- Bond Issues -- Authorizes \$178,700,000 bond issue to fund state projects. by \*Purcell, \*Bragg, \*Kisber, \*Head, \*Crain, \*Ridgeway, \*DeBerry, \*Bell, \*Pinion.**

Passed first consideration.

**House Bill No. 2545 -- Hospitals and Health Care Facilities -- Extends annual hospital services license fee and nursing home services license fee from June 30, 1992 to June 30, 1995. Amends TCA, Title 33, Ch. 2; Title 63; Title 68, Ch. 11; Title 71, Ch. 5. by \*Purcell, \*Bragg, \*Dixon, \*Pruitt, \*Armstrong, \*Ridgeway, \*Crain, \*DeBerry, \*Bell, \*Pinion.**

Passed first consideration.

**House Bill No. 2546 -- Appropriations -- Authorizes growth in state appropriations which exceed rate of growth of economy for 1992-1993 fiscal year. Amends TCA, Title 9, Ch. 6, Pt. 2. by \*Purcell, \*Bragg, \*Kisber, \*Head, \*Crain, \*Ridgeway, \*DeBerry, \*Bell, \*Pinion.**

Passed first consideration.

**\*House Bill No. 2547 -- Insurance Companies, Agents, Brokers -- Implements standards for calculation and maintenance of reserves by captive insurance companies. Amends TCA, Title 56, Ch. 13. by \*Jackson.**

Passed first consideration.

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**House Bill No. 2548** -- Cosmetology -- Revises Tennessee Cosmetology Act of 1986. Amends TCA, Title 62, Ch. 4. by \*DeBerry.

Passed first consideration.

**House Bill No. 2549** -- Highway Signs -- Heritage Museum and Federal Fish Hatchery, I-181. by \*Whitson.

Passed first consideration.

**\*House Bill No. 2550** -- County Officers -- Authorizes county executive to appoint temporary successor if absent 21 days or more, successor to be chosen from county employees and upon approval of county legislative body; prohibits members of county legislative body and relatives from seeking position. Amends TCA 5-5-103. by \*Robinson Ruth.

Passed first consideration.

**House Bill No. 2551** -- Planning, Public -- Allows county legislative body to adopt resolution to provide additional compensation for regional planning commission upon two-thirds vote. Amends TCA 13-3-101. by \*Robinson Ruth.

Passed first consideration.

**House Bill No. 2552** -- Garnishments and Executions -- Increases amount of property exempt from execution. Amends TCA, Title 26, Ch. 2. by \*DeBerry.

Passed first consideration.

**\*House Bill No. 2553** -- Forest and Forest Products -- Defines "current market value" as standing timber before it is cut where civil liability attaches for negligent cutting of timber from property of another. Amends TCA, Title 43, Ch. 28, Pt. 3. by \*Givens.

Passed first consideration.

**House Bill No. 2554** -- Motor Vehicles, Titling and Registration -- Requires that motor vehicles which have been damaged and rebuilt shall be so noted on applications for certificates of title and on titles so issued. Amends TCA, Title 55, Ch. 3. by \*Hubbard.

Passed first consideration.

**House Bill No. 2555** -- Collierville -- Authorizes privilege tax on new offices and commercial construction for protection and preservation of Historic Town Square. by \*Haley.

Passed first consideration.

**House Bill No. 2556** -- Collierville -- Authorizes imposition of historic preservation privilege tax. Amends Chapter 230, Private

Acts of 1988, as amended. by \*Haley.

Passed first consideration.

**House Bill No. 2557** -- Common Carriers -- Allows freight motor vehicles weighing up to 90,000 pounds gross weight to haul over certain highways in Greene, Washington and Sullivan counties. Amends TCA, Title 54; Title 55, Ch. 7. by \*Venable.

Passed first consideration.

**\*House Bill No. 2558** -- Correctional Programs -- Removes defendant's ability to pay as consideration by court in determining time and manner in which defendant will pay the cost of incarceration and treatment. Amends TCA, Titles 41, 55. by \*Kent.

Passed first consideration.

**House Bill No. 2559** -- Home Improvement Contractors -- Authorizes home improvement commission to pay claims as provided from guaranty fund and to disallow new claims filed; terminates fund upon exhaustion. Amends TCA, Title 62, Ch. 37, Pt. 1. by \*Kent.

Passed first consideration.

**House Bill No. 2560** -- Health -- Restricts solicitation of patients by home health agencies. Amends TCA, Title 68, Ch. 11. by \*Kent.

Passed first consideration.

**House Bill No. 2561** -- Custody and Support -- Provides that a defendant in a paternity action may request a determination of whether he is the father of the child without thereafter waiving his right to be awarded custody if he is father of child. Amends TCA 36-2-108. by \*Turner L, \*Jones U, \*Kernell, \*Armstrong, \*Jones R, \*King.

Passed first consideration.

**\*House Bill No. 2562** -- Deeds -- Requires deeds to contain certain information to be accepted for recording in Roane County. Amends TCA, Title 66, Ch. 24, Pt. 1. by \*Ferguson.

Passed first consideration.

**House Bill No. 2563** -- County Officers -- Allows sheriff to serve on county financial management committee in at large capacity; requires sheriff to notify county clerk by August 31 before term begins if he wishes to serve; allows new sheriff to serve term vacated by previous sheriff. Amends TCA 5-21-104. by \*Holt, \*Kent, \*Bivens, \*Fowlkes.

Passed first consideration.



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**House Bill No. 2564** -- Recreational Areas -- Allows municipalities to fund municipal recreational systems from general revenues of municipality, user fees, or other lawful services, as well as from property taxes. Amends TCA 11-24-108, 109. by \*Garrett.

Passed first consideration.

**\*House Bill No. 2565** -- Election Laws -- Requires all campaign contributions to come from residents of district in which candidate resides. Amends TCA, Title 2, Chs. 10, 19. by \*Sipes.

Passed first consideration.

**House Bill No. 2566** -- Criminal Offenses -- Makes threatening to reduce or withhold spending or approval of a project or benefit to influence actions by elected officials official oppression. Amends TCA, Title 39, Ch. 16, Pt. 4. by \*Sipes.

Passed first consideration.

**House Bill No. 2567** -- General Assembly -- Requires commissioner of finance and administration to furnish TN Comprehensive Annual Financial Report to members of general assembly within 120 days of end of each fiscal year. Amends TCA, Title 4, Ch. 3. by \*Sipes.

Passed first consideration.

**\*House Bill No. 2568** -- State Government -- Requires submission of legislative budget summaries by each state department to senate and house finance committees. Amends TCA, Title 9. by \*Sipes.

Passed first consideration.

**\*House Bill No. 2569** -- Banks and Financial Institutions -- Requires banks to make disclosure of matters concerning value of loan or mortgage and collateral to subsequent borrower or guarantor. Amends TCA, Title 45. by \*Sipes.

Passed first consideration.

**\*House Bill No. 2570** -- Banks and Financial Institutions -- Establishes rebuttable presumption that bank engaged in fraudulent conveyance and bidding in property, if bid end price in nonjudicial foreclosure is less than 75 percent of balance of loan. Amends TCA, Title 45. by \*Sipes.

Passed first consideration.

**\*House Bill No. 2571** -- Banks and Financial Institutions -- Raises delinquency charges banks may impose on installment loans past due more than 15 days from 5 percent to 6 1/2 percent of installment. Amends TCA, Title 45. by \*Sipes.

Passed first consideration.

**House Bill No. 2572** -- Savings and Loan Associations -- Extends present law concerning payment from bank accounts and safe deposit boxes when no executor or administrator has qualified, also applies to federal and state savings and loan associations, savings banks, industrial loan and thrift companies and credit unions. Amends TCA, Title 45, Ch. 2. by \*Williams K.

Passed first consideration.

**House Bill No. 2573** -- Home Improvement Contractors -- Authorizes issuance of citations for engaging in practice of home improvement without license. Amends TCA, Title 62, Ch. 37. by \*Williams K.

Passed first consideration.

**House Bill No. 2574** -- Education, Higher -- Prohibits use of student activity fees to fund capital improvements unless hearing is conducted before senate and house education committees. Amends TCA, Title 49, Ch. 7, Pt. 24. by \*Williams K.

Passed first consideration.

**House Bill No. 2575** -- Education, Higher -- Limits amount of student activity fees which can be used to subsidize intercollegiate athletics. Amends TCA, Title 49, Ch. 7, Pt. 24. by \*Williams K.

Passed first consideration.

**House Bill No. 2576** -- Motor Vehicles -- Revises authority and notification procedures for motor vehicle towing and recovery professionals. Amends TCA, Title 55, Ch. 16. by \*West.

Passed first consideration.

**House Bill No. 2577** -- Civil Procedure -- Permits commencement of civil actions by individuals against those violating solid and hazardous waste disposal management laws. Amends TCA, Title 68, Chs. 25, 31, 46; Title 69, Ch. 3. by \*Clark, \*Davis J K, \*Odom, \*Fowlkes, \*Chumney.

Passed first consideration.

**House Bill No. 2578** -- Insurance Companies, Agents, Brokers -- Removes attorney-in-fact for subscribers of reciprocal insurance from definition of "managing general agent". Amends TCA 56-6-502. by \*Herron.

Passed first consideration.

**House Bill No. 2579** -- Medicare and Medicaid -- Authorizes Shelby, Davidson, Knox and Hamilton counties to transfer funds to state to provide additional funds for Medicaid program. Amends TCA, Titles 67, 71. by \*Armstrong.

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Passed first consideration.

**House Bill No. 2580** -- Medicare and Medicaid -- Establishes, if Medicaid disproportionate share program is reduced, health care provider to receive same proportional share of program in 1992 as received in 1991. Amends TCA, Title 71, Ch. 5. by \*Armstrong, \*Tindell.

Passed first consideration.

**\*House Bill No. 2581** -- Corporations -- Requires corporation seeking reinstatement after administrative dissolution to post \$500 bond with secretary of state for five years following reinstatement; bond to be forfeited if corporation fails to file annual report. Amends TCA 48-24-203. by \*Buck.

Passed first consideration.

**\*House Bill No. 2582** -- Workers' Compensation -- Provides that workers' compensation benefits will not be denied to a subcontractor or his employee, when the contractor has accepted payment to so extend coverage, based solely on the failure to reduce the agreement to writing and/or to notify department of labor. Amends TCA, Title 50, Ch. 6. by \*Buck.

Passed first consideration.

**House Bill No. 2583** -- Taxes, Sales -- Allows 100 percent tax credit for purchases of pollution control equipment required by state, local or federal law or regulation. Amends TCA, Title 67, Ch. 6. by \*Kisber, \*Bragg, \*Sipes.

Passed first consideration.

**House Bill No. 2584** -- Purchasing -- Requires commissioner of general services to award contracts within 30 days of receipt of all bids instead of with reasonable promptness. Amends TCA 12-3-203. by \*Kisber, \*Jackson, \*Fowlkes, \*Crain.

Passed first consideration.

**House Bill No. 2585** -- Telecommunications -- Removes value added networks from definition of "telecommunication" under sales tax law. Amends TCA 67-6-102. by \*Kisber.

Passed first consideration.

**House Bill No. 2586** -- Mines, Mining -- Removes from inclusion in regrading plans highwall elimination and spoil piles which no longer pose hazards to environment if demonstrated new technology methods approved by commissioner. Amends TCA 59-8-208. by \*Kisber.

Passed first consideration.

**\*House Bill No. 2587** -- Medicare and Medicaid -- Prohibits

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reduction in Medicaid nursing home reimbursement prior to termination of nursing home services license fee on June 30, 1992. Amends TCA, Title 68, Ch. 11. by \*Bragg, \*Kisber.

Passed first consideration.

**House Bill No. 2588** -- Madison County -- Authorizes election commission to use computerized method of storing duplicate voter registration records. by \*Kisber, \*Sipes.

Passed first consideration.

**\*House Bill No. 2589** -- Insurance, Health, Accident -- Revises Comprehensive Health Insurance Pool Act. Amends TCA, Titles 56, 63. by \*Kisber, \*Bragg, \*Sipes.

Passed first consideration.

**House Bill No. 2590** -- Taxes, Agricultural and Open Spaces -- Requires open space and agricultural forest land acquired by financial institution as satisfaction for debt be exempt from roll back taxes assessed against or payable by financial institution. Amends TCA, Title 67, Ch. 5, Pt. 10. by \*Kisber, \*Bragg, \*Sipes.

Passed first consideration.

**House Bill No. 2591** -- Taxes, Sales -- Provides 100 percent tax credit for cost of pollution controls purchased by automobile body paint shops. Amends TCA 67-6-507. by \*Kisber, \*Bragg, \*Sipes.

Passed first consideration.

**House Bill No. 2592** -- Insurance, Health, Accident -- Revises TN Comprehensive Health Insurance Pool to provide for emergency assessments from insurance companies, to impose a \$2 per day charge on hospital stays and a \$1 per day charge on ambulatory surgical center visits; provides for administration. Amends TCA, Titles 56, 63. by \*Kisber, \*Bragg, \*Sipes.

Passed first consideration.

**House Bill No. 2593** -- Banks and Financial Institutions -- Provides that dissenting shareholders of a proposed conversion, of a one bank holding company into holding company, may receive fair value of their shares in cash if approved by directors of newly formed holding company. Amends TCA, Titles 45, 48. by \*Haley.

Passed first consideration.

**\*House Bill No. 2594** -- Cooperatives -- Authorizes electric cooperatives to concurrently operate multi-channel and/or multipoint distribution system alongside a pre-existing, FCC licensed, multi-channel and/or multipoint distribution system if preexisting FCC licensee expressly agrees in writing. Amends TCA 69-25-228. by \*Pinion.

Passed first consideration.

**House Bill No. 2595** -- Appropriations -- Requires at least 50 percent of state budget to be expended on education; implements at rate of 2 percent per year. Amends TCA, Title 9, Ch. 6. by \*Pinion.

Passed first consideration.

**House Bill No. 2596** -- Game and Fish Laws -- Allows hunting, catching and selling all sizes and species of turtles in Lake County. Amends TCA, Title 70, Ch. 4, Pt. 1. by \*Pinion.

Passed first consideration.

**\*House Bill No. 2597** -- Drugs -- Requires every person who dispenses legend drugs to obtain a license annually from the state board of pharmacy. Amends TCA, Title 53, Ch. 10. by \*Byrd.

Passed first consideration.

**House Bill No. 2598** -- Administrative Procedure -- Excludes student administrative hearings at state colleges or universities from Uniform Administrative Procedures Act. Amends TCA, Title 4, Ch. 5. by \*Bragg.

Passed first consideration.

**House Bill No. 2599** -- Hospitals and Health Care Facilities -- Caps reimbursable per diem cost for immediate care facility for mental retardation at \$165 per person. Amends TCA, Title 71, Ch. 5. by \*Bragg.

Passed first consideration.

**\*House Bill No. 2600** -- Transportation, Dept. of -- Transfers transportation equity fund from department to department of economic and community development. Amends TCA, Title 67. by \*Bragg.

Passed first consideration.

**House Bill No. 2601** -- Taxes, Sales -- Provides 50 percent tax credit on cost of pollution controls purchased by dry cleaners. Amends TCA 67-6-507. by \*Kisber, \*Bragg.

Passed first consideration.

**House Bill No. 2602** -- Gambling -- Removes from definition of "gambling device" any device which requires skill to play or win; authorizes merchandise prizes if value does not exceed \$25.00. Amends TCA 39-17-501, 505, 508. by \*Bragg.

Passed first consideration.

**\*House Bill No. 2603** -- Taxes, Income -- Prohibits income taxation on exempt interest dividends from Subchapter M investment

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companies and earnings from investment funds organized as grantor trust as long as 75 percent of investment value be in United State or Tennessee bonds. Amends TCA, Title 67, Ch. 2. by \*Kisber.

Passed first consideration.

**House Bill No. 2604** -- Motor Vehicles, Titling and Registration -- Removes eligibility of Legion of Valor recipients for special license plates. Amends TCA, Title 55, Ch. 4, Pt. 2. by \*Hillis.

Passed first consideration.

**\*House Bill No. 2605** -- Racing -- Abolishes authority for horse racing; abolishes state racing commission. Amends TCA 4-29-214; Title 4, Ch. 36. by \*Wood.

Passed first consideration.

**\*House Bill No. 2606** -- Motor Vehicles, Titling and Registration -- Permits all colleges and universities to have special license plates; presently, only applies to four year colleges and universities. Amends TCA 55-4-301. by \*Wood.

Passed first consideration.

**House Bill No. 2607** -- Constitutional Conventions -- Submits question of call to people; establishes process for convention. by \*Davis R E.

Passed first consideration.

**\*House Bill No. 2608** -- Utilities, Utility Districts -- Authorizes utility districts to donate fines to industrial and economic boards within district. Amends TCA, Title 7, Ch. 82. by \*Davis R E.

Passed first consideration.

**House Bill No. 2609** -- Election Laws -- Allows counties which have more than 5 percent of territory within Great Smoky Mountain National Park to divide census blocks when establishing or altering boundaries of voting precincts. Amends TCA 2-3-102. by \*Davis R E.

Passed first consideration.

**House Bill No. 2610** -- Insurance Companies, Agents, Brokers -- Establishes as unfair or deceptive practice use of loss or claim history from any source other than company which sustained loss. Amends TCA, Title 56, Ch. 8. by \*West.

Passed first consideration.

**House Bill No. 2611** -- Hospitals and Health Care Facilities -- Removes power of commissioner of health to adopt rules and regulations concerning fees. Amends TCA, Title 68, Ch. 11. by \*Bivens.

Passed first consideration.

**\*House Bill No. 2612** -- Real Estate Agents and Brokers -- Permits real estate salesmen and brokers to be members of real estate appraisers commission; revises standards of real estate appraisers commission. Amends TCA, Title 62, Ch. 39. by \*West, \*Bivens.

Passed first consideration.

**\*House Bill No. 2613** -- Banks and Financial Institutions -- Permits banks and savings and loan associations doing business to contract with or employ persons in compliance with provisions of Title XI of Federal Financial Institutions Reform and Enforcement Act of 1989 (FIRREA). Amends TCA, Title 45. by \*West, \*Bivens.

Passed first consideration.

**\*House Bill No. 2614** -- Health and Environment, Dept. of -- Prohibits imposition of fees on developer before survey and planning commission approval. Amends TCA, Title 68. by \*Bivens.

Passed first consideration.

**\*House Bill No. 2615** -- Insurance, Health, Accident -- Authorizes group dental plans for local governments and quasi-government organizations. Amends TCA, Title 8, Ch. 27; Title 56. by \*Bivens.

Passed first consideration.

**House Bill No. 2616** -- Alcoholic Beverages -- Establishes system of annual renewal of beer permits with proceeds dedicated to DUI Prevention Fund. Amends TCA, Title 57, Chs. 5, 6. by \*Hill.

Passed first consideration.

**House Bill No. 2617** -- Financial Disclosure -- Deletes requirement of notification to candidate upon inspection of campaign financial disclosure records. Amends TCA, Title 2, Ch. 10. by \*Hill, \*Williams M.

Passed first consideration.

**House Bill No. 2618** -- Crime, Victims of -- Establishes beer renewal fees; allocates proceeds to victims rights coalition; sets program framework; extends termination date from June 30, 1992 to June 30, 1996. Amends TCA, Title 4, Chs. 29, 41; Title 57, Ch. 5. by \*Hill, \*Williams M.

Passed first consideration.

**\*House Bill No. 2619** -- Crime, Victims of -- Increases by \$50 all fees for consumption license to fund Victim Rights Organization Fund. Amends TCA, Title 4, Chs. 29, 41, 57-4-301. by \*Hill, \*Williams M.

Passed first consideration.

**House Bill No. 2620** -- Criminal Offenses -- Makes it a Class E felony to intentionally or knowingly prepare false motor vehicle violation abstract, forward a false abstract to department of safety or modify abstract in possession of department. Amends TCA, Title 55, Ch. 10. by \*Hill, \*Williams M, \*Peroulas Draper.

Passed first consideration.

**House Bill No. 2621** -- DUI/DWI Offenses -- Requires court clerk to maintain separate books containing information concerning each DUI case heard in such clerk's court. Amends TCA, Title 55, Ch. 10. by \*Hill, \*Peroulas Draper.

Passed first consideration.

**House Bill No. 2622** -- DUI/DWI Offenses -- Removes provision allowing DUI defendant to challenge constitutional validity of prior guilty plea DUI conviction at any proceeding where such prior conviction is used to enhance punishment. Amends TCA, Title 55, Ch. 10, Pt. 4. by \*Hill, \*Peroulas Draper.

Passed first consideration.

**\*House Bill No. 2623** -- General Assembly -- Creates contract services subcommittee. Amends TCA, Title 3, Ch. 7; Title 12, Ch. 4. by \*Pinion, \*Huskey, \*West.

Passed first consideration.

**House Bill No. 2624** -- Criminal Procedure -- Allows state to introduce certified copy of department of safety's NCS computer printout of driver's motor vehicle record as prima facie evidence of such driver's prior convictions for motor vehicle violations. Amends TCA, Title 55, Ch. 10. by \*Hill, \*Peroulas Draper, \*Williams M.

Passed first consideration.

**House Bill No. 2625** -- Safety, Dept. of -- Requires preparation of abstracts of motor vehicle violations; requires commissioner to devise procedure for amendment; requires clerk to send correction to department within 30 days of discovering error; requires department to enter into NCS computer within 30 days of receipt. Amends TCA, Title 55, Ch. 10. by \*Hill, \*Peroulas Draper, \*Williams M.

Passed first consideration.

**House Bill No. 2626** -- Insurance, Motor Vehicle -- Removes individual's ability to waive uninsured motorist coverage. Amends TCA 56-7-1201. by \*Hill, \*Peroulas Draper, \*Davis J K.

Passed first consideration.



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**House Bill No. 2627** -- Public Defenders -- Imposes in Knox County \$12.50 litigation tax for representation of indigent criminal defendants; directs money paid by indigents be paid to public defender; allows contributions to public defender's office; increases number of assistants and investigators public defender may hire. Amends TCA, Titles 8, 40. by \*Hill.

Passed first consideration.

**House Bill No. 2628** -- Driver Licenses -- Makes failure to surrender revoked driver license to department of safety upon notice Class B misdemeanor. Amends TCA, Title 55, Ch. 50. by \*Hill, \*Peroulas Draper, \*Venable, \*Williams M.

Passed first consideration.

**House Bill No. 2629** -- DUI/DWI Offenses -- Allows use of driver's record for determining number of prior convictions for DUI. Amends TCA, Title 55, Ch. 10, Pt. 4. by \*Hill, \*Peroulas Draper, \*Williams M.

Passed first consideration.

**House Bill No. 2630** -- DUI/DWI Offenses -- Lowers level of presumption of intoxication from .10 to .08. percent. Amends TCA 55-10-408. by \*Hill, \*Peroulas Draper.

Passed first consideration.

**House Bill No. 2631** -- Motor Vehicles, Titling and Registration -- Provides for issuance of license plates bearing distinctive series of letters and numbers to inform law enforcement officers that driver of vehicle is hearing impaired. Amends TCA, Title 55, Ch. 21. by \*Cole, \*Davis R E.

Passed first consideration.

**House Bill No. 2632** -- Drugs -- Makes it criminal offense to casually exchange controlled substance even if person has valid prescription for substance. Amends TCA 39-17-418. by \*Joyce.

Passed first consideration.

**House Bill No. 2633** -- Correctional Programs -- Empowers commissioner of correction to grant eligibility for supervised non-incarceration custody to inmates confined in correctional institution for indeterminate period of time. Amends TCA, Title 41, Ch. 21, Pt. 2. by \*Rhinehart.

Passed first consideration.

**\*House Bill No. 2634** -- Hazardous Materials -- Makes summary information concerning source reduction activities of waste generators public record. Amends TCA, Title 68, Ch. 46. by \*Fowlkes, \*Callicott.

Passed first consideration.

**House Bill No. 2635** -- Taxes, Sales -- Increases percentage of sales tax allocated for educational purposes. Amends TCA, Titles 49, 67. by \*Coffey.

Passed first consideration.

**House Bill No. 2636** -- Taxes, Income -- Imposes 6 percent state income tax on lottery and other gambling winnings. Amends TCA, Title 67, Ch. 2. by \*Coffey.

Passed first consideration.

**House Bill No. 2637** -- Medicare and Medicaid -- Requires fiscal review committee in quarterly report to also provide supplemented or proposed innovative programs or funding methods which provide medical assistance to Medicaid eligible recipients. Amends TCA, Titles 67, 68, 71. by \*Coffey.

Passed first consideration.

**House Bill No. 2638** -- General Assembly -- Restricts use of postage and mailing allowance by members. Amends TCA 3-1-106. by \*Rigsby.

Passed first consideration.

**House Bill No. 2639** -- Taxes, Sales -- Expands sales tax base to cover certain services; reduces state sales tax rate. Amends TCA, Title 67. by \*Rigsby.

Passed first consideration.

**\*House Bill No. 2640** -- Business and Commerce -- Enacts "Tennessee Limited Liability Company Act". Amends TCA, Title 48. by \*Hubbard.

Passed first consideration.

**\*House Bill No. 2641** -- Development Districts -- Removes floor space requirement that enables businesses to qualify as business facilities within enterprise zones; removes criteria that would prevent such businesses from qualifying for excise tax reimbursement. Amends TCA, Title 13, Ch. 28. by \*Pruitt.

Passed first consideration.

**\*House Bill No. 2642** -- Paternity -- Establishes criteria for court to use to determine whether to award custody to defendant in paternity case. Amends TCA 36-2-108. by \*Williams K.

Passed first consideration.

**House Bill No. 2643** -- Hospitals and Health Care Facilities --

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Decreases temperature in nursing home freezers from 20 degrees to 15 degrees; renames "intermediate care facility" to "nursing facility". Amends TCA, Titles 63, 67, 68, 71. by \*Halteman.

Passed first consideration.

**House Bill No. 2644** -- Adoption -- Requires background check by licensed child placing agency of persons wishing to adopt child prior to placing child in home; authorizes agency to assess reasonable fee for investigation; exempts blood relatives and stepparents. Amends TCA, Title 36, Ch. 1, Pt. 1. by \*Halteman, \*West, \*Stamps.

Passed first consideration.

**House Bill No. 2645** -- Alcoholic Beverages -- Increases beer application fee to \$250; imposes \$100 privilege tax on beer permit holders. Amends TCA 57-5-103--105, 108. by \*Winningham.

Passed first consideration.

**House Bill No. 2646** -- Jackson County -- Increases size of school board by one member. Amends Chapter 43, Private Acts of 1933, as amended. by \*Winningham.

Passed first consideration.

**\*House Bill No. 2647** -- Highway Signs -- Clarifies provisions relative to vandalism. Amends TCA 39-14-412. by \*Wix.

Passed first consideration.

**House Bill No. 2648** -- Portland -- Permits annual salary increase for mayor and aldermen. Amends Chapter 568, Private Acts of 1939, as amended. by \*Wix.

Passed first consideration.

**House Bill No. 2649** -- Fire Prevention and Investigation -- Requires fire marshal to regulate exhaust hoods for restaurants and institutional kitchens to meet standards of Standard Mechanical Code or have written certification of sufficient air volume. Amends TCA 68-18-105. by \*Severance.

Passed first consideration.

**House Bill No. 2650** -- Opticians -- Authorizes apprentice and student dispensing opticians to perform services under supervision of optometrist or ophthalmologist, as well as dispensing optician licensed by state. Amends TCA 63-14-103. by \*Sipes, \*Odom, \*McDaniel.

Passed first consideration.

**House Bill No. 2651** -- Public Service Commission -- Enacts

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"Consumer Advocate Act". by \*Sipes.

Passed first consideration.

**House Bill No. 2652** -- Education, Higher -- Changes jurisdiction of Memphis State University from Board of Regents to Board of Trustees of University of Tennessee. Amends TCA, Title 49, Chs. 7--9. by \*Byrd.

Passed first consideration.

**House Bill No. 2653** -- Criminal Offenses -- Creates criminal offense of stalking which is willfully following another and making threat with intent to place person in fear of bodily injury. Amends TCA, Title 39, Ch. 13, Pt. 1. by \*Tindell.

Passed first consideration.

**House Bill No. 2654** -- Water Pollution -- Corrects typographical error in Water Quality Control Act of 1977 by changing word "natural" to "national". Amends TCA 69-3-102. by \*Tindell.

Passed first consideration.

**House Bill No. 2655** -- Estates -- Prohibits revocation of inter vivos trust if settler of such trust elects to qualify trust as Q.T.I.P; makes retroactive to January 1, 1982. Amends TCA 35-50-115. by \*Tindell.

Passed first consideration.

**House Bill No. 2656** -- Chiropractors -- Removes exemption from annual education requirements for practitioners 65 or over in cases of retirement, certified illness, disability or other undue hardship. Amends TCA, Title 63, Ch. 4, Pt. 1. by \*Tindell.

Passed first consideration.

**House Bill No. 2657** -- School Transportation -- Limits seating on school buses to number which can be safely seated, as determined by commissioner of education, plus one additional child per row. Amends TCA 49-6-2110. by \*Rhinehart, \*Hillis.

Passed first consideration.

**House Bill No. 2658** -- Insurance, Life -- Permits charities to have insurable interest on life of insured, who consents to purchase or assignment of life insurance to such organization. Amends TCA, Title 56, Ch. 7, Pt. 3. by \*Meyer.

Passed first consideration.

**House Bill No. 2659** -- Insurance, Health, Accident -- Permits insurance companies to write group or individual health insurance policies without present law provisions if consumer is informed of

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such exclusions; creates penalty of damages and court costs for noncompliance. Amends TCA, Title 56. by \*Meyer.

Passed first consideration.

**\*House Bill No. 2660 -- Mortgages --** Allows open-ended credit agreement of a "reverse mortgage type" to extend for 40 years rather than 20. Amends TCA, Title 47. by \*Meyer, \*McAfee, \*Wood.

Passed first consideration.

**House Bill No. 2661 -- Insurance Companies, Agents, Brokers --** Authorizes registration by agents with more than one broker-dealer. Amends TCA, Title 56. by \*Hill, \*Meyer.

Passed first consideration.

**House Bill No. 2662 -- Education --** Enacts "Parent and Teacher Empowerment Bill of 1992". Amends TCA, Title 49. by \*Meyer, \*Davis J K, \*Niceley, \*Sipes, \*Allen, \*Buck.

Passed first consideration.

**House Bill No. 2663 -- Municipal Government --** Deletes requirement that monetary penalties set by home rule municipalities be used to cover administrative expenses incident to correction of violations. Amends TCA, Title 6, Ch. 54. by \*Davis J K.

Passed first consideration.

**House Bill No. 2664 -- Paternity --** Removes requirement that defendant must have not denied paternity in order to be awarded custody of child. Amends TCA 36-2-108. by \*Buck, \*Williams K.

Passed first consideration.

**House Bill No. 2665 -- Local Education Agency --** Prohibits restriction on use of surplus school real property as private school when sold; voids similar provisions in pre-existing transfers. Amends TCA, Title 49, Ch. 2. by \*Davis J K.

Passed first consideration.

**House Bill No. 2666 -- Insurance, Health, Accident --** Requires provisions in contract relative to cancellation, renewability or nonrenewability to be described and explained in detail to insured. Amends TCA, Title 56. by \*Haun.

Passed first consideration.

**House Bill No. 2667 -- Environmental Preservation --** Sets owner's and/or operator's financial responsibility for petroleum underground storage tanks at \$10,000 per occurrence regardless of date of release. Amends TCA, Title 68, Ch. 53. by \*Haun.

Passed first consideration.

**House Bill No. 2668** -- Motor Vehicles, Titling and Registration -- Authorizes issuance of special license plates for Exchange Club members. Amends TCA, Title 55, Ch. 4. by \*Haun.

Passed first consideration.

**House Bill No. 2669** -- Judges and Chancellors -- Permits judges and chancellors of courts of record, including appellate judges, to freely interchange with one another when necessary, desirable or convenient. Amends TCA, Title 17. by \*Gunnels.

Passed first consideration.

**House Bill No. 2670** -- Economic and Community Development -- Recreates TN industrial and agricultural commission and creates new TN science and technology commission. Amends TCA, Title 4, Chs. 14, 29. by \*Bittle.

Passed first consideration.

**House Bill No. 2671** -- Taxes, Sales -- Exempts from sales and use tax repair service labor performed on railroad rolling stock and also sales of materials and supplies used in servicing railroad rolling stock. Amends TCA, Title 67, Ch. 6. by \*Peroulas Draper, \*Hill, \*Turner B, \*Armstrong, \*Bittle, \*Meyer, \*Severance, \*Tindell.

Passed first consideration.

**House Bill No. 2672** -- Probation -- Provides that in misdemeanor cases, as a condition precedent of probation, defendant must pay minimum of \$10.00 per month of expenses incurred by supervisory agency. Amends TCA 40-35-303. by \*Anderson, \*Huskey.

Passed first consideration.

**House Bill No. 2673** -- Zoning -- Permits counties to hold elections on zoning regulation questions when authorized by private act. Amends TCA 13-7-115. by \*Anderson, \*Huskey.

Passed first consideration.

**House Bill No. 2674** -- Pensions and Retirement Benefits -- Permits county executive with 25 years continuous service in superseded county retirement system to receive benefits in new county retirement system with benefits based on years of service and average compensation. Amends TCA, Title 8, Ch. 34, Pt. 7. by \*Anderson, \*Huskey.

Passed first consideration.

**House Bill No. 2675** -- Pensions and Retirement Benefits -- Gives maximum of four years creditable service in TCRS for military time. Amends TCA, Title 8, Chs. 34--37. by \*Anderson, \*Huskey.

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Passed first consideration.

**House Bill No. 2676** -- Game and Fish Laws -- Restricts use of TWRA funds; adds supplemental license fee for striped bass. Amends TCA, Title 70, Ch. 2. by \*Williams M.

Passed first consideration.

**House Bill No. 2677** -- Appropriations -- Requires 50 percent of state revenues, excluding federal funds, be expended on education. Amends TCA, Title 9, Ch. 6. by \*Williams M, \*Walley, \*Davis J K.

Passed first consideration.

**House Bill No. 2678** -- Crime, Victims of -- Increases certain alcohol taxes to fund victims rights coalition; establishes framework for statewide program. Amends TCA, Title 4, Chs. 29, 41, 57-3-302, 57-5-201. by \*Williams M.

Passed first consideration.

**House Bill No. 2679** -- Pensions and Retirement Benefits -- Allows all present or retired members of TCRS up to four years of creditable service for military service between 1940 and the present without cost. Amends TCA 8-34-605. by \*Williams M.

Passed first consideration.

**House Bill No. 2680** -- Election Laws -- Adds Anderson County to list of those polling places that are to receive from the county election commission a computer printout containing names and addresses of eligible voters. Amends TCA 2-5-216. by \*Williams M.

Passed first consideration.

**House Bill No. 2681** -- Handicapped Persons -- Revises Handicapped Drivers Law of 1975 relative to handicapped parking, placards and license plates. Amends TCA, Title 55. by \*Williams M.

Passed first consideration.

**House Bill No. 2682** -- Gas, Petroleum Products, Volatile Oils -- Revises petroleum trade practices. Amends TCA, Title 47, Ch. 25, Pt. 6. by \*Robinson Robb, \*Severance, \*Moore, Anderson.

Passed first consideration.

**House Bill No. 2683** -- Motor Vehicles, Titling and Registration -- Imposes penalties for misuse of dealer license plates. Amends TCA 55-4-221, 55-17-114. by \*Robinson Robb.

Passed first consideration.

**\*House Bill No. 2684** -- Sexual Offenses -- Requires person convicted of two or more rapes or aggravated rapes to serve entire

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sentence imposed by court. Amends TCA, Titles 39--41. by \*Halteman, \*Hargrove.

Passed first consideration.

**\*House Bill No. 2685** -- Regional Authorities -- Authorizes a special local option recordation tax of 5 cents per \$100 in counties of the Obion-Forked Deer Basin Authority for the purposes of authority; local tax to be in addition to state tax. Amends TCA, Title 64, Ch. 1, Pt. 4; Title 67, Ch. 4, Pt. 4. by \*Holt, \*Davis Ray, \*Pinion, \*Crain.

Passed first consideration.

**House Bill No. 2686** -- Workers' Compensation -- Allows prejudgment interest of 10 percent per annum on total judgment be taxed as costs of case against employer when employee is prevailing party for period between temporary total disability cessation date and entry of judgment. Amends TCA 50-6-225. by \*Clark.

Passed first consideration.

**House Bill No. 2687** -- Teachers -- Authorizes sick leave banks for teachers be initiated by ten teachers in counties of less than 50,000. Amends TCA, Title 49. by \*Givens.

Passed first consideration.

**House Bill No. 2688** -- Education -- Mandates 15 minutes of personal safety instruction each week in every public school, grades K-12. Amends TCA, Title 49. by \*Givens, \*Williams M.

Passed first consideration.

**House Bill No. 2689** -- Police -- Allows any certified full-time police officer to demand exhibition of driver license even if operator/holder has not been engaged in illegal conduct immediately preceding such demand. Amends TCA 55-50-351. by \*Hill.

Passed first consideration.

**House Bill No. 2690** -- Driver Licenses -- Requires department of safety to put donor authorization form on back of all driver licenses. Amends TCA, Title 55, Ch. 50; Title 68, Ch. 30. by \*Purcell.

Passed first consideration.

**House Bill No. 2691** -- Telecommunications -- Allows county legislative body to appoint two additional persons to serve on the board of directors of an emergency communications district. Amends TCA, Title 7, Ch. 86; Title 68. by \*Purcell.

Passed first consideration.



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**\*House Bill No. 2692** -- Sunset Laws -- Tennessee governor's council on physical fitness and health, June 30, 2000. Amends TCA, Title 4, Chs. 29, 40. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**\*House Bill No. 2693** -- Sunset Laws -- Advisory committee for purchase from the blind and other severely handicapped, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 71, Ch. 4. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2694** -- Sunset Laws -- Sequatchie Valley planning and development agency, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 64, Ch. 1. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2695** -- Sunset Laws -- Tennessee victims coalition, June 30, 2000. Amends TCA, Title 4, Chs. 29, 41. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2696** -- Sunset Laws -- Elk regional resource authority, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 64, Ch. 5. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2697** -- Sunset Laws -- Southern interstate nuclear compact, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 68, Ch. 23. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2698** -- Sunset Laws -- Chickasaw basin authority, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 64, Ch. 1. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2699** -- Sunset Laws -- Southern interstate nuclear board, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 68, Ch. 23. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2700** -- Sunset Laws -- Four Lake industrial regional development authority, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 64, Ch. 5. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

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**House Bill No. 2701** -- Sunset Laws -- Upper Duck River development agency, board of directors, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 64, Ch. 1. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2702** -- Sunset Laws -- Tennessee municipal solid waste advisory committee, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 68, Ch. 31. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2703** -- Sunset Laws -- Beech River watershed authority, board of directors, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 64, Ch. 1. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**House Bill No. 2704** -- Sunset Laws -- Tellico Reservoir development agency, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 64, Ch. 1. by \*King, \*Kernell, \*Garrett.

Passed first consideration.

**House Bill No. 2705** -- Sunset Laws -- State volunteer advisory board, June 30, 2000. Amends TCA, Title 4, Ch. 29; Title 41, Ch. 10. by \*King, \*Garrett, \*Kernell.

Passed first consideration.

**\*House Bill No. 2706** -- Firearms and Ammunition -- Makes parent guilty of Class A misdemeanor if he knows his child is in illegal possession of firearm at school and does not prevent the possession or report it. Amends TCA, Titles 39, 49. by \*McAfee, \*Wood, \*Meyer, \*Copeland.

Passed first consideration.

**House Bill No. 2707** -- Food and Food Products -- Provides for safe and sanitary distribution of lawfully harvested deer meat donated to anti-hunger organizations; limits civil liability of donor and recipient. Amends TCA, Title 53. by \*Chumney.

Passed first consideration.

**\*House Bill No. 2708** -- Welfare -- Revises provisions for "as needed" childcare costs. Amends TCA, Title 71, Ch. 3, Pt. 1. by \*Chumney.

Passed first consideration.

**House Bill No. 2709** -- Memorials -- Authorizes placement of memorial or identifying plaques on property donated to state at expense of person making donation. Amends TCA, Title 12, Ch. 2, Pt. 1. by \*Chumney.

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Passed first consideration.

**House Bill No. 2710** -- Commerce and Insurance, Dept. of -- Requires commissioner to publish quarterly report summarizing opinions of department regarding extent of coverage provided by individual or group accident, health, disability or life insurance policy. Amends TCA, Titles 4, 50, 56. by \*Copeland.

Passed first consideration.

**House Bill No. 2711** -- Rhea County -- Establishes, effective September 1, 1992, salary of juvenile judge at \$24,000 per year. Amends Chapter 67, Private Acts of 1981. by \*Duer.

Passed first consideration.

**House Bill No. 2712** -- Motor Vehicles, Titling and Registration -- Authorizes issuance of special license plates for Fraternal Order of Police members. Amends TCA, Title 55, Ch. 4. by \*Duer.

Passed first consideration.

**House Bill No. 2713** -- Insurance, Health, Accident -- Requires insurance to cover mammogram every year, rather than every two years for women ages 40-50. Amends TCA, Titles 56, 68. by \*Duer.

Passed first consideration.

**House Bill No. 2714** -- Taxes -- Requires insurance taxes to be paid quarterly after May 15, 1992, instead of March 1, 1992. by \*Duer.

Passed first consideration.

**House Bill No. 2715** -- Insurance, Health, Accident -- Requires insurance to cover baseline mammograms for women ages 25-40 instead of 35-40. Amends TCA, Title 56. by \*Duer.

Passed first consideration.

**House Bill No. 2716** -- Medical Occupations -- Requires applicant for license as physician assistant to be age 20 instead of 18. Amends TCA, Title 63. by \*Duer.

Passed first consideration.

**House Bill No. 2717** -- Medicare and Medicaid -- Increases penalty from Class E to Class D felony for falsifying contracts concerning receipt of funds for providing services to eligible recipients for medical assistance. Amends TCA, Title 71. by \*Duer.

Passed first consideration.

**House Bill No. 2718** -- Motor Vehicles -- Enacts "Motor Vehicle Safety Inspection Act of 1992"; requires public service commission

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to inspect all municipal/county fire department emergency response vehicles, firefighting apparatuses to determine compliance with safety laws. Amends TCA 65-15-113. by \*Kisber, \*West, \*Odom, \*Pruitt, \*Hargrove, \*Bell, \*Kent, \*Nuber, \*Arriola, \*Ferguson, \*Hillis, \*Shirley, \*Knight, Severance, Hassell, Pinion, Williams K, Armstrong, Jones R, Kernell, King, Phillips, Winningham, Jones U, Turner L, Cross, Peroulas Draper, Halteman, Clark, Jackson.

Passed first consideration.

**House Bill No. 2719** -- Employees, Employers -- Establishes "State Employee Incentive Plan Act of 1992". by \*Allen, \*Copeland, \*Givens, \*Hargrove, \*Fowlkes, \*Rinks, \*Venable, \*Sipes, \*Robinson Ruth.

Passed first consideration.

**\*House Bill No. 2720** -- Charitable Solicitations -- Prohibits persons from using name of department of safety or subdivision for purpose of soliciting fees and other considerations without written authorization of commissioner. Amends TCA, Title 39, Ch. 14. by \*Bragg.

Passed first consideration.

**House Bill No. 2721** -- Purchasing -- Requests commissioner of general services to establish regulations to strive to avoid purchases involving materials derived from endangered rainforests. Amends TCA, Title 12, Ch. 3. by \*Kernell.

Passed first consideration.

**House Bill No. 2722** -- Municipal Government -- Allows municipalities to establish entertainment zones. Amends TCA, Title 13. by \*Jones U, \*King, \*Turner L, \*DeBerry, \*Dixon, \*Jones R.

Passed first consideration.

**House Bill No. 2723** -- Education -- Implements pilot program to deal with educational needs of African-American male students in Memphis. Amends TCA, Title 49, Ch. 10. by \*Jones U, \*King, \*Turner L, \*Dixon, \*Jones R.

Passed first consideration.

**House Bill No. 2724** -- General Assembly, Statement of Intent or Position -- States legislative intent for equalized funding between state land grant institutions. Amends TCA, Title 49, Chs. 8, 9. by \*Jones U, \*King, \*Dixon, \*DeBerry, \*Turner L, \*Jones R, \*Pruitt, \*Armstrong, \*Love, \*Robinson C B.

Passed first consideration.

**House Bill No. 2725** -- Welfare -- Extends AFDC assistance to certain two parent households. Amends TCA, Title 71. by \*Jones U, \*King, \*Turner L.

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Passed first consideration.

**House Bill No. 2726** -- General Assembly, Studies -- Creates special joint committee to study unexcused absences from school by AFDC recipients. by \*Jones U, \*Turner L.

Passed first consideration.

**House Bill No. 2727** -- Welfare -- Extends payment of AFDC assistance in certain situations in which there are two adults residing in the household. Amends TCA, Title 71. by \*Jones U, \*Turner L.

Passed first consideration.

**House Bill No. 2728** -- Alcoholic Beverages -- Revises law concerning alcoholic beverages. Amends TCA, Title 57. by \*Jones U, \*King, \*Turner L.

Passed first consideration.

**House Bill No. 2729** -- Human Services, Dept. of -- Provides for establishment and maintenance of a comprehensive social services information toll-free telephone hotline service. Amends TCA, Title 71. by \*Jones U.

Passed first consideration.

**House Bill No. 2730** -- Alcoholic Beverages -- Lowers minimum seating requirement from 75 to 40 for wine only restaurants; lowers bond requirement to same 20 percent rate as privilege tax. Amends TCA 57-4-101, 57-4-302. by \*Jones U, \*Kernell, \*King, \*Turner L.

Passed first consideration.

**House Bill No. 2731** -- Business and Commerce -- Authorizes qualified business in enterprise zone to carry forward reimbursement eligibility for two years to be entitled to receive authorized reimbursement; reappropriates unexpended funds for enterprise zones and prohibits reversion to general fund. Amends TCA, Title 4, Ch. 13. by \*Jones U, \*King, \*Turner L.

Passed first consideration.

**House Bill No. 2732** -- Economic and Community Development -- Makes various changes to convert the Local Neighborhood Model Development Corporation Act into a program of general applicability within the three major urban counties. Amends TCA, Title 13, Ch. 13, Pt. 1. by \*Jones U, \*King, \*Turner L.

Passed first consideration.

**House Bill No. 2733** -- Alcoholic Beverages -- Redefines "premiere type tourist resort" to allow liquor by the drink license. Amends TCA 57-4-102. by \*Head.

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Passed first consideration.

**House Bill No. 2734 -- Driver Licenses --** Removes restriction concerning offenses involving mandatory revocation from requirements for commercial driver license. Amends TCA, Title 55, Ch. 50. by \*Head.

Passed first consideration.

**House Bill No. 2735 -- Contractors --** Restricts contractors from performing work in a classification other than classification for which contractor is licensed. Amends TCA 62-6-111. by \*Head.

Passed first consideration.

**House Bill No. 2736 -- Clarksville --** Limits terms of office of mayor and council members. Amends Chapter 292, Private Acts of 1957, as amended. by \*Head, \*Knight.

Passed first consideration.

**House Bill No. 2737 -- Clarksville --** Revises authority and purpose of board of trustees of Memorial General Hospital District. Amends Chapter 99, Private Acts of 1953, as amended. by \*Head, \*Knight.

Passed first consideration.

**House Bill No. 2738 -- Clarksville --** Permits removal of mayor and city council for cause upon written charges and hearing before council, other officials removed by ordinance. Amends Chapter 292, Private Acts of 1957, as amended. by \*Head, \*Knight.

Passed first consideration.

**House Bill No. 2739 -- Taxes --** Imposes additional 5 percent tax on licensing revenue earned in this state by music licensing organizations, such tax to be collected and administered in same manner as excise tax. Amends TCA, Title 67, Ch. 4. by \*Moore.

Passed first consideration.

**House Bill No. 2740 -- Taxes, Tobacco, Tobacco Products --** Imposes additional 2 cent tax on tobacco products to be allocated to rural fire departments in General Appropriations Act. Amends TCA, Title 67, Ch. 4, Pt. 10. by \*Moore.

Passed first consideration.

**House Bill No. 2741 -- Environmental Preservation --** Enacts "Waste Tire Recycling Act of 1992". Amends TCA, Title 68, Ch. 31. by \*Moore.

Passed first consideration.

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**House Bill No. 2742 -- Medicare and Medicaid --** Establishes a category of medical assistance eligibility for disabled children who meet criteria for listed impairment without regard to income of parents. Amends TCA, Title 71, Ch. 5. by \*Moore.

Passed first consideration.

**House Bill No. 2743 -- Appropriations --** Reappropriates state funds, previously allocated for neighborhood development corporations within the thirty-third senatorial district, to the Memphis museum system. Amends Chapter 509, Public Acts of 1991. Amends TCA, Title 13, Ch. 13. by \*Jones U.

Passed first consideration.

**\*House Bill No. 2744 -- Animals --** Requires pet shops to be licensed; provides standards of health for pet shops; provides penalties for failure to care for animals. Amends TCA, Title 44. by \*Stamps.

Passed first consideration.

**House Bill No. 2745 -- Custody and Support --** Makes decree of rehabilitative support and maintenance modifiable upon application of either party and showing of material change of circumstances. Amends TCA, Title 36, Ch. 5, Pt. 1. by \*Stamps.

Passed first consideration.

**House Bill No. 2746 -- General Assembly --** Restricts occasions upon which members may receive per diem; provides that expenses arising from out-of-state travel governed by state's comprehensive travel regulations. Amends TCA, Title 3, Ch. 1. by \*Stamps.

Passed first consideration.

**House Bill No. 2747 -- General Assembly --** Establishes parameters for payment of legislative per diem. Amends TCA, Title 3, Ch. 1. by \*Stamps.

Passed first consideration.

**House Bill No. 2748 -- Zoning --** Removes authority of metropolitan government to order demolition of unoccupied buildings which are in state of disrepair and/or are in violation of one or more municipal codes. Amends TCA 7-3-305. by \*Love.

Passed first consideration.

**House Bill No. 2749 -- Zoning --** Allows industrial, commercial and other business establishments to continue operations and expansions under previous zoning classifications, in event of subsequent change in or inclusion in zoning classification. Amends TCA 13-7-208. by \*Love.

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Passed first consideration.

**House Bill No. 2750 -- Zoning --** Prohibits municipal special assessment liens and any valid lien duly perfected from use in computation of costs on filing of notice due to vegetation that presents health hazard. Amends TCA 6-54-113. by \*Love.

Passed first consideration.

**House Bill No. 2751 -- Zoning --** Prohibits municipal special assessment liens and any other lien from being used in computation of cost of repair or removal of substandard housing. Amends TCA 13-21-103. by \*Love.

Passed first consideration.

**House Bill No. 2752 -- Alcoholic Offenses --** Makes permissive rather than mandatory removal of driver license of person 18-21 years old if convicted of purchase of alcoholic beverages. Amends TCA, Title 57, Chs. 3--5. by \*Love.

Passed first consideration.

**House Bill No. 2753 -- Courts, General Sessions --** Requires new process must be served within nine months of return of unserved one, rather than six months, in order to keep action alive. Amends TCA, Title 16. by \*Love.

Passed first consideration.

**House Bill No. 2754 -- Insurance Companies, Agents, Brokers --** Makes statutory remedy for bad faith failure to pay promptly supplemental rather than exclusive. Amends TCA, Title 56, Ch. 7. by \*Williams K.

Passed first consideration.

**House Bill No. 2755 -- Tennessee Higher Education Commission --** Provides for annual report of educational achievements and satisfaction of students in public higher education institutions vis a vis other higher education students. Amends TCA, Title 49, Ch. 7, Pt. 2. by \*Davidson.

Passed first consideration.

**House Bill No. 2756 -- Taxes, Real Property --** Revises law concerning property tax liens. Amends TCA, Title 67, Ch. 5, Pt. 26. by \*Davidson.

Passed first consideration.

**House Bill No. 2757 -- Taxes --** Removes taxpayer's responsibility to pay and department's responsibility to refund amounts owed if \$1.00 or less. Amends TCA, Title 67. by \*Davidson.



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Passed first consideration.

**House Bill No. 2758** -- Taxes -- Gives person with complaint about back assessment or reassessment 60 days, rather than 45, to appeal. Amends TCA, Title 67. by \*Davidson.

Passed first consideration.

**House Bill No. 2759** -- Transportation, Dept. of -- Establishes transportation equity fund as trust fund. Amends TCA, Title 67. by \*Jackson.

Passed first consideration.

**House Bill No. 2760** -- Tennessee Wildlife Resources Agency -- Requires permit to spray herbicides on waterways. Amends TCA, Titles 69, 70. by \*Jackson.

Passed first consideration.

**House Bill No. 2761** -- Juries and Jurors -- Abolishes occupational jury exemptions; limits time of service. Amends TCA 7-38-104; Title 22, 58-1-228, 63-3-118, 63-5-123, 63-8-117. by \*Hubbard, \*Hargrove, \*Chumney, \*Knight.

Passed first consideration.

**House Bill No. 2762** -- Motor Vehicles -- Authorizes seizing agency to elect judicial or administrative procedure for forfeiture. Amends TCA, Title 53. by \*Wix.

Passed first consideration.

**\*House Bill No. 2763** -- Sewage -- Removes restriction placed on department whereby authorization may not be granted for use of more than fifty units of any system which meets the National Sanitation Foundation Standard 40 conducted by a research institution accredited in civil and environmental engineering. Amends TCA, Title 68, Ch. 13, Pt. 4. by \*Bell.

Passed first consideration.

**House Bill No. 2764** -- Private Investigators -- Raises from \$70.00 to \$100 the application fee for private investigators. Amends TCA, Title 62, Ch. 26. by \*Haun.

Passed first consideration.

**House Bill No. 2765** -- State Government -- Enacts "Open Appointments Act". Amends TCA, Title 10, Ch. 7. by \*Chumney, \*Peroulas Draper, \*Duer.

Passed first consideration.

**House Bill No. 2766** -- Motor Vehicles -- Revises law concerning

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motor vehicles. Amends TCA, Title 55. by \*Chumney.

Passed first consideration.

**House Bill No. 2767** -- Homestead Exemptions -- Enacts "Home Owner Medical Exemption or HOME Act of 1992". Amends TCA, Title 26, Ch. 2. by \*Chumney.

Passed first consideration.

**House Bill No. 2768** -- Warehouses -- Raises minimum bond on warehouse operators from \$20,000 to \$50,000. Amends TCA, Title 43, Ch. 32. by \*Haun.

Passed first consideration.

**House Bill No. 2769** -- Judicial Officers -- Directs compensation study of district attorneys and district public defenders and their staffs. Amends TCA, Title 8. by \*Haun.

Passed first consideration.

**\*House Bill No. 2770** -- Alcoholic Beverages -- Allows the local legislative body to designate a national historic landmark entertainment area under certain circumstances. Amends TCA, Title 57, Ch. 4. by \*King.

Passed first consideration.

**House Bill No. 2771** -- County Government -- Extends certain powers, including power to incur debt and issue general revenue bonds, to separate legal or administrative agencies created by interlocal agreement among political subdivisions; restricts delegation of certain powers. Amends TCA, Title 9, Ch. 21; Title 12, Ch. 9. by \*Curlee.

Passed first consideration.

**House Bill No. 2772** -- Securities -- Adds common law fraud to unlawful acts in connection with sale or purchase of any security in this state. Amends TCA, Title 48, Ch. 2. by \*Halteman.

Passed first consideration.

**House Bill No. 2773** -- Taxes -- Establishes method of calculating interest rate applicable to cases of appeal of state taxes. Amends TCA, Title 67, Ch. 1. by \*Purcell.

Passed first consideration.

**House Bill No. 2774** -- Election Laws -- Allows retention of precinct boundaries not on census boundaries if precincts used in political subdivision redistricting plan approved by federal court. Amends TCA, Title 2, Ch. 3, Pt. 1. by \*Robinson C B, \*Ridgeway.

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Passed first consideration.

**House Bill No. 2775 -- Workers' Compensation --** Prohibits courts from awarding injured employee disability rating greater than degree of impairment given by attending physician. Amends TCA, Title 50, Ch. 6. by \*Davis Ray, \*Crain.

Passed first consideration.

### **SENATE BILLS ON FIRST CONSIDERATION**

On motion, the bills listed were introduced and passed first consideration:

**\*Senate Bill No. 1768 -- Highway Signs --** "Charles 'Chicken' Fite Memorial Highway," U. S. Highway 45E. by \*McKnight.

**\*Senate Bill No. 2213 -- Water Pollution --** Corrects typographical error in Water Quality Control Act of 1977 by changing word "natural" to "national". Amends TCA 69-3-102. by \*Gilbert.

### **SENATE BILLS TRANSMITTED**

On motion, the Senate Bills listed below, transmitted to the House, were held on the Clerk's desk as noted:

**\*Senate Bill No. 1662 -- Minors, Gifts to --** Enacts "Tennessee Uniform Transfers to Minors Act". Amends TCA, Title 35. (HB 1748).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1707 -- Estates --** Reclassifies priority of claims against estate of deceased person to include reasonable funeral and burial expenses among those costs which enjoy first priority for payment; such expenses currently classified as third priority. Amends TCA 30-2-317. (HB 1879).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1711 -- Hospitals and Health Care Facilities --** Mandates certification for administrators of institutional homes for aged, by requiring high school or equivalent education; provides for biennial renewal upon showing of at least 24 classroom hours of board approved continuing education courses. Amends TCA 68-11-209. (HB 1754).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1714 -- DUI/DWI Offenses --** Deletes provision which permits defendant to challenge constitutional validity of prior guilty plea DUI conviction at any proceeding where such conviction is used to enhance punishment. Amends TCA 55-10-403. (HB 1727).

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Held pending third consideration of companion House Bill.

**Senate Bill No. 1723** -- Highway Signs -- "J.R. Love Bridge" in Carter County. (\*HB 1674).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1753** -- Highway Signs -- "John Montgomery Bridge," Carter County. (HB 1723).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1754** -- Highway Signs -- "Howard Garland Bridge," Unicoi County. (HB 1722).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1755** -- Highway Signs -- "Rod Swift Bridge," U.S. Highway 19E. (HB 1724).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1770** -- Highway Signs -- "W. Atlas Turner Memorial Bridge," Madison County. (HB 1730).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1771** -- Boats, Boating -- Requires boat operator to file accident report when injury or damage in excess of \$500; allows wildlife officer in boating accident to arrest person without warrant where probable cause exists. Amends TCA 69-10-216, 220, 69-20-210. (HB 2191).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1788** -- Game and Fish Laws -- Establishes alternative one day nonresident permit/license fee to fish for trout in premiere tourist resort city. Amends TCA 70-2-219. (HB 1876).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1791** -- Highway Signs -- Big South Fork National River and Recreation Area, 1-40. (HB 1717).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1818** -- Drugs -- Repeals chapter permitting research into therapeutic applications of marijuana and its derivatives in cancer and glaucoma patients. Amends TCA, Title 68, Ch. 52. (HB 1849).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1825** -- Medical Occupations -- Revises authority of physician assistants; provides penalties for physicians

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who wrongfully use services of physician assistant. Amends TCA, Title 63, Chs. 9, 19. (HB 1768).

Held pending third consideration of companion House Bill.

**Senate Bill No. 1826** -- Highway Signs -- Monroe County Maternity Center, SR 68. (\*HB 1718).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1828** -- Motor Vehicles, Titling and Registration -- Redefines "transportor" under motor vehicle registration law to include all persons engaged in business of delivering vehicles of type required to be registered. Amends TCA, Title 55, Ch. 1, Pt. 1. (HB 1763).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1883** -- Highway Signs -- "Will Dixon Bridge," S.R. 50 in Perry County. (HB 1859).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 1947** -- Highways, Roads and Bridges -- Requires department of transportation to maintain an inventory of all highway rights-of-way declared surplus and conveyed for uses other than highways. Amends TCA 54-5-141. (HB 1922).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 2094** -- Gas, Petroleum Products, Volatile Oils -- Requires service station merchants who sell petroleum products containing 1 percent oxygen to affix label or post notice in counties designated as "carbon monoxide non-attainment areas". Amends TCA 47-26-247. (HB 2181).

Held pending third consideration of companion House Bill.

**\*Senate Bill No. 2183** -- Game and Fish Laws -- Creates statewide annual agency lake permit fee; establishes field trial permit and fee for wildlife management areas. Amends TCA 70-2-202, 219. (HB 2202).

Held pending third consideration of companion House Bill.

**Senate Bill No. 2290** -- Sewage -- Provides that in determining whether a wastewater treatment facility in certain municipalities has a retained earnings deficit, depreciation shall not include state or federal grant funds received. Amends TCA, Title 68, Ch. 13, Pt. 10. (\*HB 2019).

Held pending third consideration of companion House Bill.

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**SENATE BILLS ON SECOND CONSIDERATION**

On motion, the Senate Bills listed passed second consideration and were referred to committee or held on the Clerk's desk as noted:

**\*Senate Bill No. 1776** -- Courts -- Passed second consideration and referred to the State and Local Government Committee.

**\*Senate Bill No. 1803** -- Alcoholic Beverages -- Passed second consideration and referred to the State and Local Government Committee.

**HOUSE BILLS ON SECOND CONSIDERATION**

On motion, bills listed below passed second consideration and were referred to committee or held on the Clerk's desk as noted:

**House Bill No. 2353** -- Mines, Mining -- Passed second consideration and referred to the Consumer and Employee Affairs Committee.

**\*House Bill No. 2354** -- Election Laws -- Passed second consideration and referred to the State and Local Government Committee.

**House Bill No. 2355** -- Motor Vehicles -- Passed second consideration and referred to the State and Local Government Committee.

**House Bill No. 2356** -- Driver Licenses -- Passed second consideration and referred to the Transportation Committee.

**\*House Bill No. 2357** -- District Attorneys -- Passed second consideration and referred to the Judiciary Committee.

**\*House Bill No. 2358** -- Motor Vehicles -- Passed second consideration and referred to the Transportation Committee.

**House Bill No. 2359** -- Copperhill -- Passed second consideration and held on Clerk's desk pending approval by local delegation.

**House Bill No. 2360** -- Public Service Commission -- Passed second consideration and referred to the State and Local Government Committee.

**House Bill No. 2361** -- Professions and Occupations -- Passed second consideration and referred to the Consumer and Employee Affairs Committee.

**House Bill No. 2362** -- Claiborne County -- Passed second consideration and held on Clerk's desk pending approval by local delegation.

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**\*House Bill No. 2363** -- Water Pollution -- Passed second consideration and referred to the Conservation and Environment Committee.

**\*House Bill No. 2364** -- Professions and Occupations -- Passed second consideration and referred to the Health and Human Resources Committee.

**House Bill No. 2365** -- Sequatchie County -- Passed second consideration and held on Clerk's desk pending approval by local delegation.

**\*House Bill No. 2366** -- Energy -- Passed second consideration and referred to the Commerce Committee.

**\*House Bill No. 2367** -- Licenses -- Passed second consideration and referred to the Health and Human Resources Committee.

**House Bill No. 2368** -- Medicare and Medicaid -- Passed second consideration and referred to the Judiciary Committee.

**House Bill No. 2369** -- Medical Occupations -- Passed second consideration and referred to the Health and Human Resources Committee.

**House Bill No. 2370** -- Davidson County -- Passed second consideration and held on Clerk's desk pending approval by local delegation.

**House Bill No. 2371** -- Water Pollution -- Passed second consideration and referred to the Conservation and Environment Committee.

**House Bill No. 2372** -- Courts, Juvenile -- Passed second consideration and referred to the Judiciary Committee.

**\*House Bill No. 2373** -- DUI/DWI Offenses -- Passed second consideration and referred to the Judiciary Committee.

**House Bill No. 2374** -- Psychologists -- Passed second consideration and referred to the Health and Human Resources Committee.

**House Bill No. 2375** -- Bail, Bail Bonds -- Passed second consideration and referred to the Judiciary Committee.

**\*House Bill No. 2376** -- Election Laws -- Passed second consideration and referred to the State and Local Government Committee.

**\*House Bill No. 2377** -- Insurance, Liability -- Passed second consideration and referred to the Judiciary Committee.

**House Bill No. 2378** -- Appropriations -- Passed second consideration and referred to the Judiciary Committee.

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**House Bill No. 2379 — State Prisoners — Passed second consideration and referred to the Judiciary Committee.**

**House Bill No. 2380 — Psychologists — Passed second consideration and referred to the Health and Human Resources Committee.**

**House Bill No. 2381 — Alcoholic Beverages — Passed second consideration and referred to the State and Local Government Committee.**

**House Bill No. 2382 — Attorneys at Law — Passed second consideration and referred to the Judiciary Committee.**

**\*House Bill No. 2383 — Highway Signs — Passed second consideration and referred to the Transportation Committee.**

**\*House Bill No. 2384 — Vocational Training and Rehabilitation -- Passed second consideration and referred to the Education Committee.**

**House Bill No. 2385 — Budget Procedures — Passed second consideration and referred to the Agriculture Committee.**

**House Bill No. 2386 — Sunset Laws — Passed second consideration and referred to the Government Operations Committee.**

**House Bill No. 2387 — Sunset Laws — Passed second consideration and referred to the Government Operations Committee.**

**House Bill No. 2388 — Sunset Laws — Passed second consideration and referred to the Government Operations Committee.**

**House Bill No. 2389 — Celina — Passed second consideration and held on Clerk's desk pending approval by local delegation.**

**House Bill No. 2390 — Insurance, Health, Accident — Passed second consideration and referred to the Commerce Committee.**

**House Bill No. 2391 — Employees, Employers — Passed second consideration and referred to the Commerce Committee.**

**House Bill No. 2392 — Insurance, Health, Accident — Passed second consideration and referred to the Commerce Committee.**

**House Bill No. 2393 — Dentists — Passed second consideration and referred to the Health and Human Resources Committee.**

**House Bill No. 2394 — Teachers — Passed second consideration and referred to the Education Committee.**

**House Bill No. 2395 — Highway Signs — Passed second consideration and referred to the Transportation Committee.**



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**House Bill No. 2396** -- Arbitration -- Passed second consideration and referred to the State and Local Government Committee.

**House Bill No. 2397** -- Criminal Offenses -- Passed second consideration and referred to the Judiciary Committee.

**House Bill No. 2398** -- Motor Vehicles -- Passed second consideration and referred to the Commerce Committee.

**\*House Bill No. 2399** -- Auditing -- Passed second consideration and referred to the State and Local Government Committee.

**House Bill No. 2400** -- Solid Waste Disposal -- Passed second consideration and referred to the State and Local Government Committee.

**House Bill No. 2401** -- Accountants -- Passed second consideration and referred to the Government Operations Committee.

**House Bill No. 2402** -- Budget Procedures -- Passed second consideration and referred to the State and Local Government Committee.

**House Bill No. 2403** -- Driver Licenses -- Passed second consideration and referred to the Transportation Committee.

**House Bill No. 2404** -- Juries and Jurors -- Passed second consideration and referred to the Judiciary Committee.

**\*House Bill No. 2409** -- Election Laws -- Passed second consideration and referred to the State and Local Government Committee.

**LOCAL BILLS TRANSMITTED TO CALENDAR AND RULES  
February 26, 1992**

In accordance with **Rule No. 48**, the following local bill(s), having received authorization for passage by the local legislative delegation, was/were transmitted to the Calendar and Rules Committee: House Bill(s) No(s). 2285, 2362 and 2365.

**REPORT OF COMMITTEE ON CALENDAR AND RULES  
CONSENT CALENDAR  
February 26, 1992**

**MR. SPEAKER:** The officers of your Calendar and Rules Committee report that we have set the following bill(s) and/or resolution(s) on the **Consent Calendar for Monday, March 2, 1992:** House Resolution(s) No(s). 155, 156, 157 and 158; House Joint Resolution(s) No(s). 502, 504, 505, 507, 508, 509, 510 and 511;

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House Bill(s) No(s). 2285, 2362 and 2365; also, Senate Joint Resolution(s) No(s). 350 and 351.

PHILLIPS, Chair.

**SIGNED**  
**February 26, 1992**

The Speaker announced that he had signed the following: Senate Joint Resolution(s) No(s). 341, 342, 344, 349 and 359.

**MESSAGE FROM THE SENATE**  
**February 26, 1992**

**MR. SPEAKER:** I am directed to transmit to the House, Senate Bill(s) No(s). 1730, 1841, 1842, 1843, 1847, 1848, 1850, 1851, 1853, 1885, 1978 and 2032; passed by the Senate.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**Senate Bill No. 1730 — Funeral Directors and Embalmers —** Revises certain fees for funeral directors and embalmers; revises authority of commissioner of commerce and insurance to regulate cemeteries. Amends TCA, Title 46; Title 62, Ch. 5, Pt. 4. by \*Hicks, Gilbert.

**\*Senate Bill No. 1841 — Sunset Laws — West Fork Drakes Creek dam and reservoir interstate authority, June 30, 1995.** Amends TCA, Title 4, Ch. 29; Title 64, Ch. 1. by \*Hicks.

**\*Senate Bill No. 1842 — Sunset Laws — Water and wastewater operators, board of certification, June 30, 1999.** Amends TCA, Title 4, Ch. 29; Title 68, Ch. 13. by \*Hicks.

**\*Senate Bill No. 1843 — Sunset Laws — Utility management review board, June 30, 1999.** Amends TCA, Title 4, Ch. 29; Title 7, Ch. 82. by \*Hicks.

**\*Senate Bill No. 1847 — Sunset Laws — School board authority, June 30, 2000.** Amends TCA, Title 4, Ch. 29; Title 49, Ch. 3. by \*Hicks.

**\*Senate Bill No. 1848 — Sunset Laws — Prevailing wage commission, June 30, 2001.** by \*Hicks.

**\*Senate Bill No. 1850 — Sunset Laws — Tennessee aeronautics commission, June 30, 2001.** Amends TCA, Title 4, Ch. 29; Title 42, Ch. 2. by \*Hicks.

**\*Senate Bill No. 1851 — Sunset Laws — Occupational safety and health review commission, June 30, 2001.** Amends TCA, Title 4, Ch. 29; Title 50, Ch. 3. by \*Hicks.

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**\*Senate Bill No. 1853** -- Sunset Laws -- Occupational safety and health administration labor advisory council, June 30, 1999. Amends TCA, Title 4, Ch. 29; Title 50, Ch. 3. by \*Hicks.

**\*Senate Bill No. 1885** -- Pharmacy -- Prohibits pharmacist from substituting drugs unless "A"-rated in FDA's research "Approved Drug Products with Therapeutic Equivalence Evaluations". Amends TCA 53-10-204. by \*McNally, \*Lawson.

**\*Senate Bill No. 1978** -- Dentists -- Requires dentists and dental hygienists to complete minimum of 18 and maximum of 30 continuing education classes; adds to peer review committee authority to evaluate personal conduct relating to performance of professional duties. Amends TCA 63-5-107, 131. by \*Patten, \*McNally.

**\*Senate Bill No. 2032** -- Local Education Agency -- Permits LEA to request loan from state, county or municipal funds when unable to operate or to continue to operate transportation services, interest payable at formula rate to be repaid from operating funds; loan must have governmental approval. Amends TCA, Title 49, Ch. 3. by \*Koella.

**MESSAGE FROM THE SENATE  
February 26, 1992**

MR. SPEAKER: I am directed to transmit to the House, Senate Bill(s) No(s). 1650; also, Senate Joint Resolution(s) No(s). 371; for the signature of the Speaker.

CLYDE W. McCULLOUGH, JR.,  
Chief Clerk.

**SIGNED  
February 26, 1992**

The Speaker announced that he had signed the following: Senate Bill(s) No(s). 1650; also, Senate Joint Resolution(s) No(s). 371.

**ENGROSSED BILLS  
February 26, 1992**

MR. SPEAKER: Your Chief Engrossing Clerk begs leave to report that we have carefully examined House Bill(s) No(s). 476; and find same correctly engrossed and ready for transmission to the Senate.

BETTY KAY FRANCIS,  
Chief Engrossing Clerk.

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**ENGROSSED BILLS  
February 26, 1992**

**MR. SPEAKER:** Your Chief Engrossing Clerk begs leave to report that we have carefully examined House Joint Resolution(s) No(s). 532; and find same correctly engrossed and ready for transmission to the Senate.

**BETTY KAY FRANCIS,  
Chief Engrossing Clerk.**

**ROLL CALL**

The roll call was taken with the following results:

Present . . . . . 99

Representatives present were: Allen, Anderson, Armstrong, Arriola, Bell, Bittle, Bivens, Bragg, Buck, Byrd, Callicott, Chiles, Chumney, Clark, Coffey, Cole, Collier, Copeland, Crain, Cross, Curlee, Davidson, Davis (Cocke), Davis (Gibson), Davis (Knox), DeBerry, Dixon, Duer, Ferguson, Fowlkes, Garrett, Givens, Gunnels, Haley, Halteman, Hargrove, Harrill, Hassell, Haun, Head, Herron, Hill, Hillis, Holcomb, Holt, Hubbard, Huskey, Jackson, Johnson, Jones R (Shelby), Jones U (Shelby), Joyce, Kent, Kernell, King, Kisber, Knight, Liles, Love, McAfee, McDaniel, McKee, Meyer, Moore, Napier, Niceley, Nuber, Odom, Peroulas Draper, Phillips, Pinion, Pruitt, Purcell, Rhinehart, Ridgeway, Rigsby, Rinks, Robinson (Davidson), Robinson (Hamilton), Robinson (Washington), Severance, Shirley, Sipes, Stamps, Tindell, Tullos, Turner (Hamilton), Turner (Shelby), Venable, Walley, West, Whitson, Williams (Shelby), Williams (Union), Windle, Winningham, Wix, Wood, Mr. Speaker Naifeh -- 99.

On motion of Rep. Purcell, the House recessed until 9:00 a.m., Thursday, February 27, 1992.